

立法會
Legislative Council

LC Paper No. CB(1)917/16-17

(These minutes have been seen
by the Administration)

Ref : CB1/PL/CI

Panel on Commerce and Industry

Minutes of meeting
held on Tuesday, 21 March 2017, at 2:30 pm
in Conference Room 1 of the Legislative Council Complex

Members present : Hon WU Chi-wai, MH (Chairman)
Hon SHIU Ka-fai (Deputy Chairman)
Hon Jeffrey LAM Kin-fung, GBS, JP
Hon WONG Ting-kwong, SBS, JP
Hon CHAN Kin-por, BBS, JP
Hon Paul TSE Wai-chun, JP
Hon LEUNG Kwok-hung
Hon YIU Si-wing, BBS
Hon MA Fung-kwok, SBS, JP
Hon Charles Peter MOK, JP
Hon CHAN Chi-chuen
Hon Martin LIAO Cheung-kong, SBS, JP
Dr Hon CHIANG Lai-wan, JP
Ir Dr Hon LO Wai-kwok, SBS, MH, JP
Hon CHUNG Kwok-pan
Hon Jimmy NG Wing-ka, JP
Hon CHAN Chun-ying
Hon Tanya CHAN
Hon LAU Kwok-fan, MH
Dr Hon YIU Chung-yim
Hon Mrs Regina IP LAU Suk-yeet, GBS, JP
Dr Hon Elizabeth QUAT, JP
Hon CHU Hoi-dick

Member attending : Dr Hon Fernando CHEUNG Chiu-hung

Members absent : Hon Dennis KWOK Wing-hang
Hon Christopher CHEUNG Wah-fung, SBS, JP

- Public officers attending** : Agenda item V
Innovation and Technology Bureau
Mr Nicholas W YANG, JP
Secretary for Innovation and Technology
Ms Annie CHOI, JP
Commissioner for Innovation and Technology
Mr Johann WONG, JP
Deputy Commissioner for Innovation and Technology
Mrs Millie NG
Deputy Secretary for Innovation and Technology
- Attendance by invitation** : Agenda Item V
Hong Kong Science and Technology Parks Corporation
Mr Albert WONG
Chief Executive Officer
Hong Kong Science and Technology Parks Corporation
Mr Patrick SIU
Chief Operating Officer
Hong Kong Science and Technology Parks Corporation
- Clerk in attendance** : Mr Desmond LAM
Chief Council Secretary (1)3
- Staff in attendance** : Ms Ivy CHENG
Senior Council Researcher 3
Ms Connie HO
Senior Council Secretary (1)3

Miss Judy YEE
Council Secretary (1)3

Ms May LEUNG
Legislative Assistant (1)3

Miss Zoe YIP
Clerical Assistant (1)3

Action

I. Confirmation of minutes of meeting

(LC Paper No. CB(1)678/16-17 -- Minutes of meeting held on 25 January 2017)

The minutes of the meeting held on 25 January 2017 were confirmed.

II. Information papers issued since last meeting

(LC Paper No. CB(1)648/16-17(01) -- Information paper on "Contingent Liability of the Hong Kong Export Credit Insurance Corporation"

LC Paper No. CB(1)671/16-17(01) -- Information paper on "Co-operation between Hong Kong and the Mainland – Hong Kong/Guangdong Co-operation")

2. Members noted the above papers issued since the last meeting.

III. Date of next meeting and items for discussion

(LC Paper No. CB(1)677/16-17(01) -- List of outstanding items for discussion

LC Paper No. CB(1)677/16-17(02) -- List of follow-up actions)

3. Members noted that the next regular Panel meeting would be held on 18 April 2017 at 2:30 pm to discuss the following items proposed by the Administration –

(a) Way forward for the Trade Single Window project; and

- (b) Extension and progress report on the Dedicated Fund on Branding, Upgrading and Domestic Sales and the special concessionary measures under the SME Financing Guarantee Scheme.

4. Ms Tanya CHAN referred to the Administration's reply dated 17 February 2017 (LC Paper No. CB(1)572/16-17(02)) to her request made at the meeting on 25 January 2017, and said that the Administration had yet to provide the requested information in respect of the consultancy report of the Demand Study for New Convention and Exhibition Facilities in Hong Kong. Ms CHAN was of the view that with more information disclosed, Members would be able to better understand the causes of a shortfall of convention and exhibition ("C&E") space in Hong Kong at peak periods by 2028 as indicated in the consultancy report, and hence to facilitate Members' consideration on the need to proceed with the proposal of the comprehensive development of the Wan Chai Sports Ground to provide C&E facilities. On the instruction of the Chairman, the Secretariat undertook to follow up with the Administration on Ms Tanya CHAN's request.

(Post-meeting note : On 22 March 2017, the Secretariat issued a letter to the Secretary for Commerce and Economic Development ("SCED") relaying Ms Tanya CHAN's request for the Administration to provide further information on the above-mentioned consultancy report as soon as practicable. The Secretariat's letter to SCED and the Administration's reply were issued to members on 5 April 2017 vide LC Paper Nos. CB(1)766/16-17(01) and (02) respectively.)

IV. Proposal of conducting an overseas duty visit to Israel

(LC Paper No. CB(1)677/16-17(03) -- Paper on "Proposal of conducting an overseas duty visit to Israel by the Panel on Commerce and Industry" prepared by the Legislative Council Secretariat

LC Paper No. FS05/16-17 -- Paper on "Innovation and technology development in Israel" prepared by the Research Office of the Legislative Council Secretariat (fact sheet)

5. The Chairman briefed members on the proposal for conducting an overseas duty visit to Israel to study the country's experience in promoting the development of innovation and technology ("I&T") industry and re-industrialization, details of which were set out in LC Paper No. CB(1)677/16-17(03). To facilitate members' consideration of the proposed duty visit, the Research Office of the Secretariat had

prepared a fact sheet on "Innovation and technology development in Israel" for members' reference (LC Paper No. FS05/16-17).

6. Mr WONG Ting-kwong considered that while amber outbound travel alert was currently in force for Israel, the Panel should be prudent in considering whether to proceed with the proposed visit. Mr Charles Peter MOK supported the Panel to conduct a duty visit to Israel given that the country's experience could provide a useful reference for Hong Kong in promoting I&T development and re-industrialization. Mr MOK also agreed that the visit should be open for non-Panel Members' participation.

7. Whilst expressing support for the Panel to conduct the proposed duty visit, Mr Paul TSE enquired whether it would be feasible to reschedule the visit, which was proposed to be held from 22 to 28 July 2017, to a later date as the last meeting of two Panels in the 2016-2017 legislative session would be held on 24 July 2017. In respect of airlines, Mr TSE advised the Secretariat to explore other alternatives in addition to the Israel Airlines for members' consideration. Mr CHAN Chi-chuen suggested that the delegation might take the opportunity of the visit to study the agricultural technology of Israel to learn how the country could be self-sufficient in respect of supply of agricultural products.

8. The Chairman concluded that members supported in principle the proposal for the Panel to conduct a duty visit to Israel and agreed with the proposed objectives of the visit. Members also agreed that the visit be open to non-Panel Members for participation and the Innovation and Technology Bureau ("ITB") should be invited to nominate officials from relevant departments, such as the Innovation and Technology Commission, to join the visit to facilitate members' understanding of the applicability of Israeli Government's experience in Hong Kong, and advise the delegation on issues relating to the development of I&T industry as and when necessary.

9. Given members' concerns on the safety issue and their enquiry on whether the delegation should proceed with the visit should there be any change in the geopolitical situation in the region, the Chairman advised that the Panel would, at its meeting in June 2017, decide on the way forward of the visit having regard to the latest situation. As advised by the Chairman, the Secretariat would follow up with the suggestions and enquires made by members at the meeting, and proceed with the necessary preparatory work of the visit.

(Post-meeting note : The Secretariat issued a circular to members (LC Paper No. CB(1)737/16-17) on 27 March 2017 for their suggestions on organizations, groups or parties they were interested to meet during the visit so that the Secretariat would further consult the Consul General of Israel in Hong Kong Special Administrative Region and Macau Special

Administrative Region in Hong Kong on the visit programme. Upon the deadline for reply on 3 April 2017, the Secretariat had received no reply from members. In addition, the Secretariat sent a letter to the Secretary for Innovation and Technology ("S for IT") on 30 March 2017 to invite nominations of officials from the relevant departments of ITB to participate in the visit to Israel. ITB subsequently replied on 28 April 2017 that it would nominate two officers from the Innovation and Technology Commission, i.e. Prof YUE On-ching, Science Advisor, and Dr PANG Wai-bing, Cecilia, Biotechnology Director, to join the visit. All LegCo Members were invited vide LC Paper No. CB(1)889/16-17 on 27 April 2017 to indicate whether they wished to join the visit. By the deadline of reply on 5 May 2017, 12 Members, including nine Panel members and three non-Panel members, indicated that they would join the visit. The participants' list of the visit was issued vide LC Paper No CB(1)913/16-17 on 9 May 2017.)

V. Policy on re-industrialization and the latest development of the industrial estates and Hong Kong Science Park

(LC Paper No. CB(1)677/16-17(04) -- Administration's paper on Policy on Re-industrialization and the Latest Development of the Industrial Estates and Hong Kong Science Park

LC Paper No. CB(1)677/16-17(05) -- Paper on policy on re-industrialization and the development of the Industrial Estates and Hong Kong Science Park prepared by the Legislative Council Secretariat (background brief)

LC Paper No. CB(1)704/16-17(01) -- Administration's paper on policy on re-industrialization and the latest development of the industrial estates and Hong Kong Science Park (PowerPoint presentation material)
(*Chinese version only, tabled at the meeting and subsequently issued on 21 March 2017*)

Presentation by the Administration

10. At the invitation of the Chairman, S for IT, with the aid of a PowerPoint presentation (LC Paper No. CB(1)704/16-17(01)), briefed members on the Government's policy and related measures to promote re-industrialization, together

with the latest work of the Hong Kong Science and Technology Parks Corporation ("HKSTPC") in this regard. Details were set out in the Administration's paper (LC Paper No. CB(1)677/16-17(04)).

Discussion

Efficient use of existing Industrial Estate sites

11. Mr MA Fung-kwok enquired whether the sites that had been repossessed from existing factory operators in the three Industrial Estates ("IEs") would be used for the construction of specialized multi-storey industrial buildings or demarcated into smaller sites for developments to meet the needs of smaller scale technology companies.

12. Commissioner for Innovation and Technology ("CIT") said that about 16 hectares of land in the existing three IEs were available for development, including seven sites with an area of about eight hectares that had been repossessed. HKSTPC would keep in view the situation in IEs and encourage factory operators to surrender unused plot ratio or premises which had not been fully utilized. Pursuant to the revised IE policy which sought to encourage smart production and attract high value-added technology industries and manufacturing processes, HKSTPC would in future mainly build and manage specialized multi-storey industrial buildings for rental by multi-users instead of granting the sites to single users to build their own factories. Two pilot projects, namely the Advanced Manufacturing Centre ("AMC") and the Data Technology Hub ("DT Hub"), were being developed at the Tseung Kwan O Industrial Estate ("TKOIE"). HKSTPC would also consider granting sites on long lease to meritorious applicants for building standalone factories on a case-by-case basis with strong justifications.

13. Chief Executive Officer, HKSTPC ("CEO(HKSTPC)") added that HKSTPC would identify suitable premises from surrendered factories and refurbish them for leasing to the innovation and technology ("I&T") industry. The first project was a five-storey building with a gross floor area of 8 500 m² on a 0.35 hectares site at Tai Po IE ("TPIE"). HKSTPC was carrying out refurbishment works and had started receiving applications for admission since March 2017. It was estimated that tenants could move in at the earliest in September 2017.

14. Mr MA Fung-kwok enquired whether film post-production companies, the business of which involved a heavy use of technology, would be eligible for admission to IEs, the Hong Kong Science Park ("HKSP") and the future "Hong Kong-Shenzhen Innovation and Technology Park" ("the Park") at the Lok Ma Chau Loop ("the Loop"). S for IT responded that the Park would be developed with I&T as the main focus, where a key base for cooperation in scientific research,

and relevant higher education, cultural and creative ("C&C") and other complementary facilities would be set up. Given that the film post-production companies fell within the scope of C&C industry, they would be eligible for admission to the Park in future. CIT added that HKSTPC would consider industries with strong technological elements for admission to HKSP and IEs.

15. Whilst expressing support for the Administration's policy direction of promoting re-industrialization, Mr CHAN Chun-ying was keen to ensure that the sites allocated for relevant developments would not turn out to be real estate projects, which would attract wide criticism. S for IT assured members that the sites that had been identified for I&T developments would be designated for research and development ("R&D") or IE uses only, and no real estate projects would be developed on these sites.

16. Noting that HKSTPC had tightened control and monitoring against under-utilization and abuse of facilities in IEs by carrying out on-site inspections and requiring tenants to submit business updates every three years under the new lease terms, and that tenants would be given an option to renew the lease subject to no breach of lease conditions, Mr CHAN Chun-ying enquired about the assessment criteria adopted by HKSTPC in determining whether the tenants had made efficient use of the IE sites. CEO(HKSTPC) responded that inspections of the tenants' operation would be conducted periodically in IEs. In respect of HKSP, HKSTPC would conduct two interviews with tenants every year to keep a close watch on whether they had met the relevant requirements. For instance, the tenants were required to demonstrate that over 50% of their staff were engaged in R&D work. Currently, HKSP had a working population of about 13 000, of whom over 9 000 were R&D personnel.

Reviewing the land uses of sites identified for innovation and technology-related uses

17. Noting that a number of sites had been identified for I&T-related uses, Dr YIU Chung-yim said that the Administration should be mindful of the possibility of oversupply which would result in high vacancy rate and decreasing rental. Mr Charles Peter MOK enquired whether there would be any change to the uses of the sites identified in Kwu Tung North New Development Area ("NDA") and Hung Shui Kiu NDA which were proposed for I&T-related uses, in the light of the newly proposed infrastructural developments relevant to I&T.

18. CIT said that the sites that had been identified were mainly for R&D and IE uses. On R&D uses, Stage 1 of the Science Park Expansion Programme to be completed by 2020 could meet the demand for R&D activities in the short to medium term, while the Park at the Loop would provide land for R&D uses in the longer term.

19. On development of IEs, two pilot projects, i.e. DT Hub and AMC were being implemented at TKOIE. Given that only about 16 hectares of land were available for further development in the three existing IEs, the Administration had identified a site at Wang Chau, Yuen Long and another site near Liantang/Heung Yuen Wai Boundary Control Point ("LT/HYWBCP") for the medium and long term development of IEs. CIT added that the average occupancy rate of HKSP Phases I to III was about 81%, while about 93% of the land in the three existing IEs had been leased out for factory operation.

Admin

20. In respect of the sites identified in Kwu Tung North NDA and Hung Shui Kiu NDA for I&T uses, CIT said that the Administration would review the land uses of these sites in the light of the Park development. At the request of Dr YIU Chung-yim, the Administration undertook to provide, in tabular form, a list of sites that had currently been reserved for I&T developments, and the sites of which the usage was subject to review in the light of the Park development. The Chairman requested the Administration to inform the Panel, by way of an information paper by the end of the 2016-2017 session, of the progress of the relevant review.

21. Given that a number of large scale I&T infrastructure projects, namely the Park and the possible development of IEs near LT/HYWBCP, which would create plenty of employment opportunities and bring a huge working population, would be implemented in the North District in future, Mr LAU Kwok-fan urged the Administration to consult the relevant District Councils on these projects and seek their views at the district level on the required complementary measures and facilities, such as the necessary transportation measures. S for IT said that the Administration would take note of Mr LAU's view.

Enriching the industrial chain of the innovation and technology industry

22. Mr Jimmy NG Wing-ka considered that to drive the success of re-industrialization, the Administration should encourage suppliers of manufacturing components, whose factories were currently located in the Pearl River Delta ("PRD") region, to relocate their production base to Hong Kong to enrich the industrial chain. S for IT responded that the Administration would strive to attract the manufacturing of high-value added manufacturing components to Hong Kong to complement the production of high-value added products, thus building the necessary clusters to facilitate the progression of the local manufacturing industry towards Industry 4.0.

23. Referring to HKSTPC's plan to identify suitable premises from surrendered factories and refurbish them for leasing to the technology industry, Mr CHAN Chun-ying enquired whether HKSTPC would also encourage industries

relevant to a particular industrial chain to apply for admission to IEs and accommodate relevant upstream and downstream enterprises under one roof. Dr CHIANG Lai-wan considered that the Administration should select a few target industries for focused development pursuant to the re-industrialization policy. CEO(HKSTPC) said that the specialized multi-storey industrial buildings to be built in IEs would attract the admission of enterprises in both the upstream and downstream of an industrial chain through clustering effect. For instance, the first project at TPIE would target at high-end electronic production.

24. Opining that the re-industrialization policy should not only benefit enterprises currently operating in HKSP and the three existing IEs in Hong Kong, but also those Hong Kong manufacturers with factories in the Mainland, Mrs Regina IP enquired about the Administration's measures to assist Hong Kong manufacturers in the PRD region in leveraging on new technologies to upgrade and transform their operations. S for IT responded that the Technology Voucher Programme ("TVP") was implemented in November 2016 to subsidize small and medium enterprises ("SMEs") in using technological services and solutions to improve productivity, or upgrade or transform their business processes. Enterprises registered in Hong Kong under the Business Registration Ordinance (Cap. 310) with at least a year of substantive business operation in Hong Kong and fulfilling the Government's definition of SMEs were eligible to apply for funding support under TVP. TVP provided a cumulative funding up to \$200,000 for each eligible SME on a 2:1 matching basis, and the subsidies could be used for the procurement of technology solutions.

Strategies for promoting re-industrialization

25. The Chairman referred to the proposal announced in the 2017-2018 Budget for setting up a new committee chaired by the Financial Secretary ("FS") on I&T development and re-industrialization. Pointing out that a similar committee set up by the Singaporean Government, namely the Research, Innovation and Enterprise Council, was led by the Prime Minister of Singapore, the Chairman queried whether the proposed arrangement for the new committee to be led by FS could align the policies of and strengthen the collaboration among relevant government bureaux and departments to support I&T development and re-industrialization of Hong Kong. Mr Jimmy NG Wing-ka suggested that the new term of Government should consider putting the policy portfolios concerning industry and I&T under the purview of one policy bureau to provide more comprehensive policy support for re-industrialization. S for IT responded that the arrangement for the new committee to be put under the leadership of FS should be able to provide sufficient policy steer to foster the development of I&T and industrialization in Hong Kong.

26. Mr Charles Peter MOK enquired whether emphasis should be put on software, data analysis capability and the related infrastructures pursuant to the Administration's strategy for promoting re-industrialization. In this connection, Mr MOK enquired about the implementation progress of the two pilot projects at TKOIE, i.e. AMC and DT Hub. Mr MOK also urged the Administration to have effective communication with relevant downstream stakeholders, such as operators of data centres and software companies, to enhance their understanding on the functions of DT Hub and seek their views on the design of the Hub to ensure that the industry's needs were met. The Chairman sought elaboration on the design requirements of AMC which were essential to facilitate the operation of the targeted advanced industries.

27. S for IT responded that apart from high-value added production processes, the development of high-value added software, big data and artificial intelligence were also relevant to the process of Hong Kong's re-industrialization. In respect of the implementation progress of DT Hub and AMC at TKOIE, CEO(HKSTPC) said that DT hub would accommodate uses ancillary or complementary to the data transfer operations and global communications at data centres and switching centres in TKOIE and Hong Kong. Special features would be designed to cater for data centre support, multi-media processing, submarine cable landing related needs and R&D activities in these fields. CEO(HKSTPC) said that the detailed design of DT Hub had been completed and the project was expected to be completed in 2020. HKSTPC had consulted stakeholders' views during the design stage.

28. In respect of the implementation progress of AMC, CEO(HKSTPC) said that AMC would focus on five major areas, including (i) medical, healthcare, and hospital devices and apparatus; (ii) biomedical engineering devices, implants and apparatus; (iii) intelligent electronic and optical apparatus; (iv) intelligent sensors and advanced assembly of semiconductors; and (v) robot electronics and intelligent power devices that dovetail with smart city development. An industrial planning consultant was conducting a detailed study on these advanced industries' latest technological and operational requirements so as to set out the preliminary design standards, including ceiling height, floor loading, mechanical vibration standard, electrical and mechanical facilities, Internet security, communal facilities (e.g. automated storage and 3D printing) and clean room environment, etc., in order to cater for the needs of advanced automated production. AMC was expected to be completed by 2021-2022 at the earliest.

29. Pointing out that some local proprietary Chinese medicines ("pCm") manufacturers operating at TPIE had encountered difficulties in obtaining relevant certifications for the export of their pCm products, Dr CHIANG Lai-wan urged the Administration to strengthen support for the pCm industry in respect of testing and certification. S for IT responded that the Administration would examine

complementary measures to facilitate the development of the pCm industry.

Development of overseas markets for local research and development outcomes

30. Mr CHUNG Kwok-pan was of the view that development of overseas markets for local R&D outcomes was crucial to the success of re-industrialization. Mr CHUNG urged the Administration to enhance publicity and promotion of locally developed technologies and technology products in the international arena.

31. CIT responded that HKSP and individual R&D centres had participated in international promotion events to publicize the new technologies developed by local R&D institutions. In respect of promotion of R&D outcomes which had been commercialized and rolled out as products in the market, the Trade and Industry Department, through the SME Export Marketing Fund, provided funding to support the export promotion work of SMEs to help them explore and develop overseas markets for their products. In addition, the enterprises concerned could take part in export promotion programmes of the Hong Kong Trade Development Council to promote their technology products to overseas buyers.

32. S for IT added that ITB would consider the inclusion of "market promotion" as one of the key areas to support re-industrialization in Hong Kong. ITB would also work together with the Commerce and Economic Development Bureau on how to take forward the publicity and promotion campaigns at the international level to promote Hong Kong's achievements on I&T. At the request of the Chairman, the Administration undertook to provide information on the Administration's plan for promoting R&D outcomes of Hong Kong at the international level to help explore and develop overseas markets for new technologies and technology products developed locally.

Admin

33. Mr CHAN Chi-chuen considered that the Administration should take the lead in adopting local technology products to support re-industrialization, and enquired how the Administration could enhance procurement of technology products from local technology companies on the condition of not violating the Government Procurement Agreement of the World Trade Organization ("WTO GPA").

Admin

34. In response, S for IT said that measures to facilitate procurement of local information and communications technology products and professional services by government bureaux and departments with no violation of the WTO GPA had been enhanced. He undertook to provide supplementary information on the relevant enhancement measures to the Panel after the meeting. CIT added that to further promote the adoption of R&D outcomes in the public sector, the Public Sector Trial Scheme ("PSTS") had been expanded to cover incubatees of HKSP and Cyberport since December 2016.

35. Mr Charles Peter MOK queried the effectiveness of PSTS as some government departments were unwilling to participate in the scheme given their internal reasons. To facilitate local technology companies, which were mostly start-ups with limited customer references, to gain access to the public sector market, Mr MOK suggested that the Administration should consider making reference to the Singaporean Government's practice of providing certification for local technology companies. S for IT took note of Mr MOK's view.

36. The Chairman considered that the Administration should formulate a more comprehensive policy to foster the development of I&T start-ups in Hong Kong, and enquired whether the Administration could get hold of the needs of the entire start-up sector, including those start-ups operating outside HKSP and Cyberport and the focus areas of their R&D work. CIT responded that InvestHK conducted an annual survey on start-ups in Hong Kong covering those operating in private incubators and accelerators. It revealed that at the time of survey there were about 2 000 I&T start-ups in Hong Kong. HKSP would join hands with private incubators and accelerators in hosting events to promote I&T development and R&D outcomes of Hong Kong.

Nurturing of talents

37. Dr YIU Chung-yim said that the Administration was keen to provide land and relevant infrastructural facilities as a means to support re-industrialization. He enquired whether the Administration would put in place any specific measures to support the grooming of talents for the I&T industry and, in particular, whether more resources would be allocated to local universities to enhance the training of R&D personnel. S for IT said that the Administration had taken a multi-pronged approach to further encourage the development of the I&T ecosystem in order to achieve "re-industrialization". Apart from providing land and suitable infrastructural facilities, quality R&D capabilities and talents were necessary to support "re-industrialization". Measures for nurturing trans-industry and trans-sector talents highly adaptable to changes to support the long-term development of the I&T industry would be considered.

38. On enhancing support for local universities, S for IT said that the 2 billion Midstream Research Programme for Universities ("MRP") was launched in December 2016 to strengthen support for University Grants Committee-funded institutions in conducting theme-based midstream research in key technology areas. MRP would facilitate more collaborative efforts among local and overseas universities and research institutions, build up the R&D talent pool and foster an I&T culture and ecosystem. S for IT assured members that, as talents were among one of the key elements crucial to re-industrialization, the Administration would endeavour to enrich the talent pool of the I&T industry.

Creation of employment opportunities

39. Mr CHAN Chi-chuen enquired about the number of employment opportunities that would be created upon the completion of AMC and DT Hub in TKOIE, and whether non-skilled workers would benefit from the projects. Mr CHAN considered that given the Government's substantial investment in I&T, priority should be accorded to Hong Kong people for the jobs created in various large-scale I&T infrastructural projects, such as the Park at the Loop, thereby bringing benefits to the local economy.

40. CIT responded that AMC and DT Hub would provide a total of about 3 400 employment opportunities upon completion. Most of the jobs to be created under these projects were expected to be taken up by Hong Kong people in the light of actual operating experience of HKSP and the five R&D Centres where locals had accounted for about 70% to 80% of the working population. The Administration envisaged that the new I&T infrastructural projects would create quality and diversified employment opportunities for Hong Kong.

41. CIT added that TVP had also provided new business opportunities for local technology companies. Among the 136 applications received and the 21 applications approved between November 2016 and January 2017, about 80% of the service providers engaged by the applicant enterprises were local technology companies.

Other issues and concerns

42. The Chairman enquired whether the Administration would draw up specific performance indicators to assess the effectiveness of the work of ITB. S for IT responded that the Advisory Committee on Innovation and Technology, in its report to be released in end March 2017, had drawn up a set of specific recommendations with clear overarching key performance indicators for collaboration with various stakeholders to create a thriving I&T ecosystem.

Summing up

43. The Chairman advised the Administration to take heed of the views expressed by members at the meeting in taking forward re-industrialization in Hong Kong. In particular, the Administration should augment its efforts in market promotion of local R&D outcomes to develop both local and overseas markets for new technologies and technology products developed in Hong Kong. In addition, more specific measures should be formulated to nurture the requisite local talents to support re-industrialization. The promotion of re-industrialization and development of the industrial chain could help drive diversification of industries and nurture a broader spectrum of talents apart from R&D personnel.

VI. Any other business

44. There being no other business, the meeting ended at 4:28 pm.

Council Business Division 1
Legislative Council Secretariat
15 May 2017