

**For discussion on
15 May 2018**

**Legislative Council
Panel on Commerce and Industry**

Technology Talent Admission Scheme

Purpose

This paper briefs Members on the introduction of the Technology Talent Admission Scheme (“TechTAS”).

Background

2. As set out in the Policy Address announced in October 2017, the Government will spearhead the development of innovation and technology in eight major areas, which include pooling together technology talent and attracting top overseas and Mainland research institutions to Hong Kong. We are facing intense global competition for technology talent. Other economies in the region are already taking aggressive measures to attract these people¹. At the same time, the local technology sector has expressed concern over the shortage of local technology talent in certain specific areas and the long lead time needed to admit technology talent from outside Hong Kong. To address these problems and concerns, the Government will roll out the three-year pilot TechTAS to provide a fast-track arrangement to admit overseas and Mainland technology talent to work in Hong Kong.

Key Features of the Pilot TechTAS

3. The key features of the pilot TechTAS include -

¹ The measures adopted by some nearby economies include : providing cash subsidy to foreign talent, offering greater job flexibility, fast-track processing of entry and residence procedures, extending period of stay, relaxing provisions concerning residence of dependents, etc.

- (a) it will as a start be applicable to tenants and incubatees of the Hong Kong Science and Technology Parks Corporation (“HKSTPC”)² and Cyberport³ that are engaged in the areas of biotechnology, artificial intelligence, cybersecurity, robotics, data analytics, financial technologies and material science;
- (b) in the first year of operation, it will admit a maximum of 1 000 persons from overseas/Mainland;
- (c) each applicant technology company/institute may be given a quota upon examination by the Innovation and Technology Commission (“ITC”), and such quota will not exceed 100 persons per year for each company/institute;
- (d) the persons admitted must be employed by the applicant technology company/institute and engaged principally in conducting R&D in Hong Kong in the areas outlined in paragraph 3(a) above;
- (e) the persons admitted should be degree-holders in science, technology, engineering or mathematics (“STEM”) from a well-recognised university⁴. Work experience is not compulsory for those with a Master’s or doctoral degree, while those with a Bachelor’s degree only should possess a minimum of one year of work experience in the relevant technology area;
- (f) persons not meeting the academic requirements in paragraph 3(e) above but possessing good technical skills in specialty areas, proven professional abilities and/or relevant experience and achievements supported by documentary evidence can be considered on a case-by-case basis with full justifications;

² This includes the tenants and incubatees of the Hong Kong Science Park and InnoCentre, as well as the grantees in the three industrial estates managed by HKSTPC.

³ This includes the tenants of Cyberport, its onsite and offsite incubatees as well as occupants of its Smart-Space.

⁴ This refers to the top 100 universities in the latest publications of STEM-related ranking tables of QS, Times Higher Education and Academic Ranking of World Universities (also known as “Shanghai Ranking”).

- (g) to facilitate nurturing of local technology talent, for every three non-local persons admitted under the scheme, the technology company/institute allotted with a quota under TechTAS would need to employ one new local full-time employee (with an employment contract for at least one year), plus two local interns (for an internship period of at least three months)⁵. All these local employees should be engaged in technology-related work⁶. The full-time employees should possess at least a Bachelor's degree while the interns can be undergraduates, graduates or post-graduates; and
- (h) remuneration for the non-local talent should be broadly commensurate with the prevailing market level for comparable jobs in Hong Kong.

An Expedited Process

4. The pilot TechTAS aims to expedite the application and approval process. Its operation would involve the following two stages –

Stage 1: Quota application by technology companies/institutes

- (a) The applicant technology company/institute would need to demonstrate:
 - (i) the basis of the quota requested (e.g. it is for a new setup or for expansion of its R&D programme); and
 - (ii) talent with the relevant skills, knowledge or experience is short in supply or not readily available in Hong Kong, and hence the concerned positions cannot be fully taken up by the local workforce;

⁵ The companies/institutes are welcome to employ more local full-time employees in lieu of local interns.

⁶ Besides R&D, technology-related work will be defined broadly to include positions such as technology or intellectual property lawyer, technology transfer expert, etc., but will not include general supporting positions such as administration clerk.

- (b) HKSTPC and Cyberport will receive the quota applications, examine the quota requests and make recommendations to ITC, having regard to, inter alia, whether:
 - (i) the company/institute's technology activities align with the knowledge or skillsets of the talent sought;
 - (ii) the number of quota requested is justified for the company/institute concerned (e.g. having regard to considerations such as business volume, venue and expansion plans);
 - (iii) the company/institute concerned has demonstrated genuine difficulties in recruiting local talent in those areas; and
 - (iv) the academic qualifications or other expertise and the remuneration packages of the required talent are suitable;
- (c) With the input and recommendations from HKSTPC and Cyberport, ITC may approve the quota request in whole or in part, or reject it altogether. The approved quota would be specific to the main job duties, academic requirements, technical skills, relevant experience, remuneration package, etc as set out in the quota application form;

Stage 2: Employment visa/entry permit application

- (d) The quota validity period is set at six months. A company/institute allotted with a quota should sponsor the employment visa/entry permit application of non-local talent within the quota validity period;
- (e) Employment visa/entry permit applications are to be submitted to the Immigration Department ("ImmD") direct. While submission of supporting documents for individual applicants would still be necessary, multiple submission of justifications for the concerned positions and evidence of local recruitment

failure would not be required again. The non-local employee's main job duties, academic qualification, technical skills, work experience, and remuneration package, etc. should fully meet the requirements under the specific quota allotted;

- (f) ImmD will consider each visa/entry permit application based on its individual merits⁷ .

5. Companies/institutes are free to choose between this new scheme or the existing General Employment Policy (“GEP”) and Admission Scheme for Mainland Talents and Professionals (“ASMTP”) schemes for sponsoring the visa/entry permit application for their employees.

Merits of the Pilot TechTAS

- 6. The pilot TechTAS has the following merits –
 - (a) By allotting applicant technology companies/institutes with a quota, TechTAS will provide certainty for them to proceed with their recruitment and business plan;
 - (b) To safeguard local work opportunities, TechTAS will still require the applicant technology companies/institutes to demonstrate at the quota application stage that the talent sought is short in supply or not readily available in Hong Kong. Nonetheless, by doing away with the requirement to demonstrate local recruitment failure each and every time the companies/institutes seek to bring in talent through the GEP or ASMTP, the arrangement could help save their time and resources needed for recruitment, and effectively streamline the actual admission procedure and shorten the processing time, thus allowing the talent to be in position to commence R&D work the earliest possible;

⁷ If ImmD has questions on individual cases, it may seek ITC's advice. ITC will, after seeking input from HKSTPC or Cyberport, recommend to ImmD whether the concerned visa/entry permit application falls within the specifications set out in the approved quota and hence should be further processed by ImmD under the pilot TechTAS.

- (c) by shortening the time needed for an individual to obtain the visa/entry permit⁸, the chance of such person being poached to work elsewhere while waiting for visa processing could be minimised; and
- (d) The 3:1+2 non-local to local employment requirement would actually provide more local job opportunities and help nurture our local talent effectively.

7. In brief, the pilot TechTAS would help attract talent from different parts of the world, encourage cross-fertilisation of local and non-local talent, and hence contribute to Hong Kong's technological development.

Consequence of Not Fulfilling the Local Talent Employment Requirement

8. HKSTPC and Cyberport will be responsible for checking if the applicant technology companies/institutes have fulfilled the requirements for hiring local employees. Employment of local persons with contracts signed within three months before quota application and three months after the quota expiry date would count towards satisfying the local talent employment requirement.

9. Non-fulfilment of the local talent employment requirement (including termination of employment within a short period of time without reasonable cause) would result in two adverse consequences for the company/institute. First, any new quota application from the company/institute will not be processed until it has complied with the local talent employment requirement. Second, any unused quota allotted to the company/institute would be suspended. The company/institute could however continue to sponsor the admission of non-local talent under the GEP/ASMTP.

⁸ Under the GEP and AMSTP, ImmD normally takes four weeks to process a visa/entry permit application upon receipt of all the required documents. For the pilot TechTAS, ImmD envisages that the normal processing time for visa/entry permit applications could be shortened to two weeks, upon receipt of all the required documents.

Implementation Arrangements

10. We will brief the tenants and incubatees of HKSTPC and Cyberport in the coming few weeks on the pilot TechTAS. Our target is to commence receiving applications in June 2018. The quota would be allotted on a “first come, first served” basis. The Administration will review the coverage and scale of TechTAS in a timely manner to allow for flexibility in coping with the emergence of new technology areas and changing industry needs.

Advice Sought

11. Members are invited to note and comment on the content of this paper.

Innovation and Technology Bureau
Innovation and Technology Commission
May 2018