BRITISH COMPUTER SOCIETY (HONG KONG SECTION)

P.O. Box 11440,
General Post Office,
Hong Kong.

9 December, 2003.

The Commissioner,
Commerce, Industry and Technology Bureau,
2/F., Murray Building,
Garden Road,
Hong Kong.

Digital21review@citb.gov.hk

Dear Sir,

Comments on Public Consultation Paper on 2004 Digital 21 Strategy

In response to your invitation for comments on Public Consultation Paper on 2004 Digital 21 Strategy, The British Computer Society (Hong Kong Section) ["BCS(HKS)"] would like put forward our comments on the Paper, as follow:

1. Review of Past Performance

Hong Kong has undergone significant changes in economy over the past few years. The SAR Government has spent quite some effort and substantial resources in promoting e-readiness and e-government leadership for Hong Kong, and has achieved some accomplishments as highlighted in the Consultation Paper in recent years.

However, the BCS(HKS) observed that:

(a) The achievement was not up to the desired result that many people in the Hong Kong community, particularly those of the IT industry and IT Professionals, might have expected. The result achieved did not seem to be commensurate to the funds, resources and effort that had been put in.

(b) The technology support provided to the various non-government organizations, schools and other public bodies in enabling them to reap the benefits from adoption of IT use could not match the expectations of many of such organizations. Some restrictive bureaucratic regulations and procedures hinder economical, free and innovative development in the use of IT in these organizations.

(c) The advisory and consultative bodies set up by the SAR Government could not represent fairly the broad composition of the Information Technology industry and professionals, in particular the latter. Such unfavourable situation that has remained unchanged for many years has lead to considerable deficiency in the formation of appropriate policies relating to various IT related developments in Hong Kong by the SAR Government.

2. The Way Forward

The BCS(HKS) opins that Chapter 2 which is entitled "Where do we go from here ?" only gives a broad overview on the concept that might lead us to draw a beautiful picture. However, fairly little substance is given in the Chapter on the practical and specific moves that can lead us to a way forward speedily. Subsequent to the effort and resources that the SAR Government has invested in the past few years on developing and promoting the grand vision of Digital 21 strategy, we should now take immediate actions to achieve more concrete accomplishments in faster pace for betterment of the economy of Hong Kong. While strategy formulation and revisions are certainly important steps to steer our way to go, they may not necessarily be sufficient to give us to the desired results.

3. Comments and Recommendations

BCS(HKS) presents our comments and recommendations but are not responding to the Public Consultative Paper point by point. BCS(HKS) expresses view only in area that BCS(HKS) observed:

(a) The Role of Government in Digital 21 Policy

The role of Government should be a facilitator in creating a suitable technology and investment environment for innovation and development of IT products as well as IT applications and services for various businesses and industries. The Government should not influentially participate in the industry and business nor make directives on the development of specific IT applications. The industry and business sectors will adjust themselves to make the best use of IT.

(b) Information Technology Professionals

The information technology industry (IT industry) covers quite a variety of areas, such as hardware, networks, software development, programming, database applications, digital entertainment, game entertainment programming, broadcasting, bio-informatics, medi-informatics, telecommunication, mobile technology, information service providers and other services, and covers a wide range of personnel, from experts, specialists, engineers to technicians. At present, the precise definition of "IT professionals" is still unsettled in Hong Kong.

As expressed in the Public Consultative Paper, the Education and Manpower Bureau (EMB) has proposed to set up a Qualification Framework (QF) and its associated quality assurance mechanism across different sections in Hong Kong. However, the BCS(HKS) would like to warn that a governmental bureau like EMB would not be the suitable party in setting and assuring standards of qualifications and professional practices of IT professionals, except for the technician level which is more related on mastering of specific skills.

The BCS(HKS) would like to draw the attention of the Commerce, Industry and Technology Bureau (CITB) to a recent development that a number professional IT organizations in Hong Kong, including the British Computer Society (Hong Kong Section), have joined a working group, coordinated by the Hong Kong Institution of Engineers, on fostering the formation a registration system for qualified IT professionals who should be the prime driving force for Hong Kong's IT development.   It is therefore advisable for the CITB, EMB or other relevant government bureaux to provide suitable facilitations and assistances in speeding up in this development rather than pursuing its own initiative on the same matter.

(c) IT in Education and IT Education

The commitment of the SAR Government in providing resources to the application of IT in education has definitely been advantageous to manpower development in the community. However, there seemed to be too many directives, guidelines and restrictive procedures imposed onto the education sector which discouraged schools or individual teachers to put forward innovative contribution toward the use of IT in education. Information technology is itself a rapidly changing technology, wastage would incur if IT products or services are acquired, but not used or applied in timely manner. Lengthy bureaucratic procedures must be eliminated and more freehand should be given to schools, educators and other related parties in their decisions and practices on the use of IT for their work.

IT education should be started in primary schools and extended to secondary education. IT education must not be confused with IT in education. The former means enabling students to process sufficient knowledge in IT whereas the latter means the use of IT as a tool for facilitating teaching and learning.   IT education would enable students to attain suitable level of IT knowledge and skills that would be required for advancing their future career and consequently help Hong Kong to develop into an IT-rich or IT-centric community. Extra-curricular educational activities like the "Youth Contest of IT" organized by Vocational Training Council (VTC) should be encouraged and well supported.

The value for money issue for spending a substantial amount from the education budget of the government on The Hong Kong Education City project should be assessed. There suitable apportionment of the budget resources for such a government sponsoring project should be reviewed. The BCS(HKS) is of the view that a large portion of resource set aside for IT education and IT in education, if there is any, should be channeled directly to schools for supporting their educational activities.

The BCS(HKS) is of the view that it would be more advantageous to spend the money on cultivating the culture and stimulating the self-motivation of schools and their teachers on innovative use of IT for their work, rather than asking schools and teachers to make use of a readily developed facility that is managed by a government sponsoring body using public funding.

(d) Tertiary education, Research and Innovative Technological Applications

Tertiary education is one of the treasures of the community. However, the existing scheme of three-year tertiary education for most study programmes does not give a sufficient coverage in both breath and depth on certain technology-based study programmes. Introduction of four-year tertiary education study programmes in local universities should therefore seriously be considered. The Government should encourage tertiary institution to research on topics that could be put into commercial or industrial applications, particularly those with relevance to the local environment, rather than just on topics that could lead to "publications of good impact factors" as decided by certain scholars and experts who might not understand the needs of Hong Kong.

(e) Development of e-commerce

The SAR Government should encourage, but maintain a high degree of freedom for, the business and industry sectors to develop and adopt e-commerce as quick as possible. While Hong Kong has already instituted its own legislation and the necessary Public Key Infrastructure (PKI) for supporting the use of e-Certificate for e-commerce in a community scale, the progress made so far has been very disappointed. The BCS(HKS) would suggest to provide all Hong Kong residents to have their e-Certificates free of charge so that the business sectors could have a good incentive to develop more applications for electronic business transactions.

At present, the e-Certificate is only of relevance in Hong Kong. However, in order to make e-commerce in Hong Kong a big success, the SAR Government should endeavour to make it a globally accepted practice for business and trade. The Government, Post Office and other Certification Authorities should join force in establishing mutual recognition of e-Certificates among themselves as well as with the Certification Authority of other economies or countries.

(f) Telecommunication and Wireless Technology

The success of new technology, such as 3G mobile network for telephony and data services, digital broadcasting, etc., will be much depending on its acceptance worldwide. The cost of manufacturing of the hardware, e.g. the transmitter, the 3G phone, the digital radio and television transmitter, the digital radio and television receivers, could be very high. Their acceptance and popularity all over the world will affect its cost of ownership. With its relatively small population, Hong Kong might not be well positioned to become a leader in adopting this technology if the cost of ownership would remain high.

Wireless technology has been developed rapidly for enabling voice and data transmission through air, wireless network telecommunication without physical link. Security issue in application of wireless technology should not be under-estimated, especially for business and financial transaction applications. For fast and wide adoption of wireless data communications in Hong Kong, the SAR Government should institute suitable policies or guidelines on security protection standards for wireless data communications, and educate the community about the issues and merits of using wireless data communications for their daily activities.

(g) Information Security

With more and more application of IT for e-commerce and the lack of confidence in the safety of transmitting an e-transaction as well as in the adoption of wireless technology, there is a need for the Government to allocate funds for IT education, especially in Information Security area. Increase in users' knowledge and confidence in IT security and the institution of suitable policies and guidelines on security protection standards for data communications, as mentioned in the above paragraph, would be the essential factors for creating demands of e-commerce and the related wireless technologies.

(h) IT Outsourcing

The Public Consultative Paper places much emphasis on the enhancement of IT outsourcing programme. This could be a misleading conception placed to the community.

Outsourcing should only be adopted when the organization does not have the expertise within itself, or when the presently deployable resources are not sufficient to complete a project on a timely manner, or when the IT department of an organization is inefficient or incompetent to carry out a job in comparison with the outsourcing service agents. In general, the cost of the internal establishment of an organization needed for management and monitoring of outsourcing projects would be substantial; and the overall merits of IT outsourcing would depend on the specific situations of each project cases.
The consequence of outsourcing could lead to losing of internal expertise, knowledge and skills, and as a result lead to hampering further innovations within an organization. It may be worth noting that many successful business corporations in Hong Kong do not consider IT outsourcing a priority unless they do not possess the needed expertise or cost-effectiveness.

(i) Mainland/Hong Kong Closer Economic Partnership Arrangement (CEPA) and Pearl River Delta (PRD)

Considerable Emphases have been placed in the Public Consultation Paper on CEPA and PRD. Care should be taken towards this view.

CEPA and PRD would no doubt create opportunities to the business and industrial sectors. On the other hand, it also means outflow of business opportunity to Mainland, and hence creating a demand of skilled labour there.

With the move of many industries to Mainland, Hong Kong would lose the driving force for youths to pursue career in local industry and business. As a result, the trump card in technical skills, administrative skill, management skill that Hong Kong's workforce now possesses could be fading away. Without such skills, there would not be any competitive edge for Hong Kong people to work in the Mainland. For the IT industry, it could be worse. Youths may not be interested and eager to learn and to start from basic, such as programming, yet they do not possess the necessary skill to make themselves having other competitive advantages over the youths in China, who generally work more diligently in enriching themselves with the necessary skill.

The Government should have policies to encourage youths to better equip themselves and to facilitate organizations in promoting these training.

Conclusion

It is timely for the SAR Government to review its Digital21 strategy and policies. However, if the Digital 21 Strategy is left alone as a proposal by a single bureau, i.e. CITB, without close collaboration with other government bureaux, such as EMB, and IT professionals and the IT industry, realization of the vision drawn for great achievements might not be easily accomplished.

The British Computer Society is the Chartered Engineering Institution in Information Technology in United Kingdom and is one of the leading professional IT organizations in the world. The Executive Committee and members of the British Computer Society (Hong Kong Section) are very willing to contribute our insights and inputs for the betterment of Hong Kong. The email address of BCS(HKS) is "chair@bcs.org.hk".

Yours faithfully,
British Computer Society (Hong Kong Section)

William Li
Chairman