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(English version only)

April 29, 2014

To: Hon Charles Mok
Hong Kong Legislative Council (IT)

Dear Charles,

This serves as my written submission to LegCo for the May 3rd meeting.

There were opposing comments to the letter I sent to the SCMP titled "Innovation and technology vital to Hong Kong's future competitiveness and productivity" printed on April 26. I acknowledge these comments with humble respect and understanding.

(In verbatim)

"Given the performance of the Government the proposal for a new bureau is simply a waste of taxpayers's money. There will be no innovation or co-ordination because of the mindset of civil servants who will tie any proposals up in red tape. Government has been tried before - it is known as Cyberport! Any government involvement will be the kiss of death to the IT sector. What would be the role of the HK Productivity Council going forward (this is full of overpaid bureaucrats too!) How much duplication of effort do we need in HK? As for new legislation - dream on! The government couldn't even get desperately needed amendments to the Copyright Ordinance through Legco - the bill lapsed in 2012!"

"Innovation is the life blood of any dynamic economy but the last place this will come from is yet another govt. department filled with paper pushers and meeting attenders and public consultation gatherers. The term "govt. innovation bureau" is the ultimate oxymoron, in fact. More likely it should be called "govt. slush fund for well connected insiders in the tech industry or anything close (or even not so close) bureau"."

Both comments have one commonality – "Fool me once, shame on you. Fool me twice, shame on me." Their minds are well embedded with distrust for the government. Neither commenters, however, disagree that Hong Kong urgently needs innovation and technology to sustain its future economic growth. Their sentiments are carried over from past administrations, while unjustifiably directed towards the current government that is trying to make changes.

Hence, the message is clear that our Chief Executive and Finance Secretary have to work hard to make up for past disappointments by implementing and funding new and effective policies. They have to rebuild



public confidence regardless of the setbacks' origination. As in politics, if one assumes a public office, he inherits and owns all the problems.

Regrettably, there was a contrarian voice against the proposed bureau by an outspoken ex-government official (ExGO.) His article, peppered with opinionated innuendos, was published in the HKEJ on April 16.

Normally, intellectual bodies would refrain from engaging with people who express in such a fashion. However, the ExGO's senior position held and his closing statement do warrant a closer examination.

Said closing statement is translated below, without prejudice, from its Chinese version:

"Lastly, I hear that there are market participants and LegCo members, in principle, support the establishment of the Innovation and Technology Bureau. I hope they would read and consider this article meticulously, which has no personal or political agenda. When hastily passing this proposal, would it be beneficial for proper governing and effective for the innovation and technology drive, or would it increase nuisance and chaos, as well as aggravate Hong Kong's already messy situation?"

When a government proposal is properly submitted to LegCo for deliberation, how can haste be suspected? How much waste is further required to offset the alleged haste? This, perhaps, is the red tape the commenters of my article was referring. With all due respect, to suggest that a new bureau for innovation and technology would breed nuisance and chaos is outright myopic, if not irresponsible.

The ExGO further argued against the proposed bureau with three "big" reasons:

- 1. It is not necessary to revamp by introducing a new bureau to implement new innovation and technology policies. For the past 17 years after the handover, the prevailing CE's have deepened and expanded those policies. Although they produced little expected results, the remedial solution need not be re-establishing a new bureau.*

If the CE feels that he has a capable candidate who can lead the proposed bureau, appoint him/her as a chairperson in an innovation and technology committee. Within six months if this candidate can present a report that validates sound policies, then the official appointment could be put forth to LegCo for consideration...

This is exactly the bureaucracy and orthodoxy that Hong Kong should question. Moreover, the government should expect the candidate to lead a team effort that would integrate all stakeholders rather than being a one-man show, if Hong Kong's future is to be taken seriously.

The salvage value of the past seventeen years are the hard lessons learned. They were unavoidably expensive but now serve as references that Hong Kong can build on. As part of the old problem, the ExGO should also learn from such lessons instead of prolonging the problem and barring alternative solutions.



- 2. The new bureau would create administrative chaos, as it differs from the 2012 proposal. It will not inherit the telecommunication, digital audio broadcasting, and Innovation Enterprise. As we all know, telecommunication, broadcasting, media, motion pictures, etc. have the greatest innovation potentials...*

The ExGO's perception of innovation and technology can be refined with current disciplines rather than a new "life blood", unadulterated from current impasses that are frustrating Hong Kong. In layman terms, The ExGO prefers Hong Kong to continuously find and replace defective parts within the system, instead of categorically remove a 17 year old vehicle that could no longer pass inspection.

Any qualified mechanic can attest which of the two options would be chaotic.

- 3. Current government has no innovation philosophy, as per current HKTU episode that (government) violates the principle of free economy.*

I contend that the ExGO, who was part of the same system that lacked innovation philosophy, is entirely qualified to make such a statement. However, since the HKTU case is under judicial review and protected by one of the freest legal environments in the world, the ExGO's comment merits no attention.

I hope the ExGO, who is now working in the academic sector, would become an example of progress rather than a retrograde opponent, and that he acknowledges my explanation with humble respect and understanding, instead of indignity.

Yours faithfully,

Les Gee
Vice Chairman
Invotech