

Industry and Technology Committee

Minutes of a meeting of the Industry and Technology Committee Meeting held on 20 May 2003 at 12:30 pm at the Hong Kong General Chamber of Commerce.

Present

Mr Patrick Pun (Chairman)	Varitronix Ltd
Mr Oscar Chow (Vice Chairman)	Chevalier International Holdings Ltd
Mr Tony Lam (Guest Speaker)	Innovation and Technology Commission
Mr James Ng	CityU Professional Services Ltd
Mrs Maria Cheung	Hing Yu Metal Works Ltd
Mr Manohar Chugh	Nisha Electronic Industries Ltd
Dr Stephen Ng	Poon Kam Kai Institute, HKU
Mr David Chu	Regatex Manufacturers Ltd
Mr K C Leung	Sonca Products Ltd
Dr Cliff Chan	TeleEye Holdings Ltd
Mr James Wong	Truly Electronics Manufacturing Ltd
Mr Laurence Chan	Golden Victory Limited

Chamber Executive

Dr W K Chan	Senior Director, Business Policy
Mr Thinex Shek	Secretary

Absent with Apologies

Dr Lily Chiang	Mr Kris Chan	Mr Ken Ho Nai-nap
Mr Sam Lai	Mr Jason Law	Mr Joe Yiu
Mr Thomas Yeung	Mr Andrew Young	Mr Emil Yu

1. Roundtable luncheon on "Revisiting Innovation and Technology: Where are we?"

Invited by the Industry and Technology Committee, Mr Tony Lam, Assistant Commissioner of the Innovation and Technology Commission spoke on government's overall policy direction to develop the technology sector at the roundtable luncheon at 12:30 pm, with about 30 members of various Chamber committees attending.

2. Confirmation of Minutes

Minutes of the Committee meeting held on 19 September 2003 were confirmed and signed.

3. Matters Arising

- *Investigative Practices of the Inland Revenue Department*

The Chairman informed members that he was invited by the Taxation Committee to attend an informal meeting together with some manufacturers to discuss the issue of IRD's "aggressive approach" to transfer pricing in tax reporting. In the meeting, the Taxation Committee agreed that there had been a notable shift in the aggressive attitude of IRD audits, and would write to the IRD on this point. But so far, no cases of the IRD actually *changing* the reported prices in the course of an audit had been identified by members. The Taxation Committee would like to hear any cases or receive input from Committee members.

The Chairman encouraged members to provide information on concrete cases. The Chamber would ensure that individual companies would not be identified if any submission were to be made to the IRD.

4. Committee Affairs: Membership and Activities

The Secretary tabled an updated membership list for members' reference. He circulated and reported that the Committee had organised and supported a number of activities throughout the year as follows:

- 2002 Hong Kong Award for Services: Innovation
- HKGCC Innovative Business Contest for University Students
- Subscription luncheon with Mr Jong-Yong Yun, 10 October 2002
- Seminar on "Textiles 2005: What can we do?" 13 January 2003
- Subscription Luncheon with Prof Rolf Zinjernagel, 28 February
- Visit to the Cyberport, 29 April 2003
- Roundtable Luncheon on "Revisiting Innovation and Technology: Where are we?" 20 May 2003

The Secretary supplemented that the Innovative Service Award and the University Students Contest received substantial media attention. The luncheons and the visit to the Cyberport were also well supported by members. He thanked members for their support and contribution.

The Chamber had launched the 2003 Hong Kong Award for Services: Innovation, and formed an Organising Committee headed by Dr Lily Chiang. Members were asked to help publicise the award scheme to their business partners.

The Secretariat welcomed suggestions on any timely topics or speakers from members to convene luncheon talks, and proposed to organise visits to the Science Park, universities, and Nansha for the second half of this year or early next year.

Members suggested to organise a visit to the Chinese University together with the tour to the Science Park, and to defer the visit to the PRD until the SARS situation would be

clearer. The Secretariat would coordinate the programme.

5. Election of Committee Chairman and Vice Chairman

Dr W K Chan briefed members that it was customary practice for the Chamber to elect or re-elect committee chairmen and vice-chairmen at the first meeting after the Chamber's AGM.

Mr Patrick Pun indicated that he would step down from the chairmanship, as he decided to concentrate on his business in view of the prevailing state of the economy. He nominated Mr Oscar Chow to be the Chairman of the Committee. Mr Manohar Chugh seconded and members unanimously agreed. Mr Oscar Chow was elected as the Chairman.

Mr Patrick Pun nominated Prof Cliff Chan to be the Vice Chairman. Mrs Mrs Maria Cheung seconded and members unanimously agreed. Prof Cliff Chan was elected as the Vice Chairman.

The new Chairman thanked Mr Patrick Pun for his past contribution to the Committee and the support from members and the Secretariat.

6. A.O.B

- *Economic Recovery after SARS*

Dr W K Chan reminded members that the Chamber had submitted several papers to the government. In addition to the rescue measures, the Chamber had proposed a three-phased plan - "Re-invigorate, Re-launch, and Re-build" that would take place over "5 weeks, 5 months, and 5 years" corresponding to the immediate, short-term and long-term horizons, to re-build Hong Kong as a world class city and to reinforce our leading position in Asia.

The Chamber, the government and the community would be working on a number of campaigns and promotional programmes to publicise Hong Kong. We also encouraged more coordination among the parties involved so that mutual support would be provided. Any suggestions from members to enhance the programmes would be welcome.

There being no other business, the meeting adjourned at 2:30 pm.

Confirmed by

Secretary
21 May 2003

Chairman