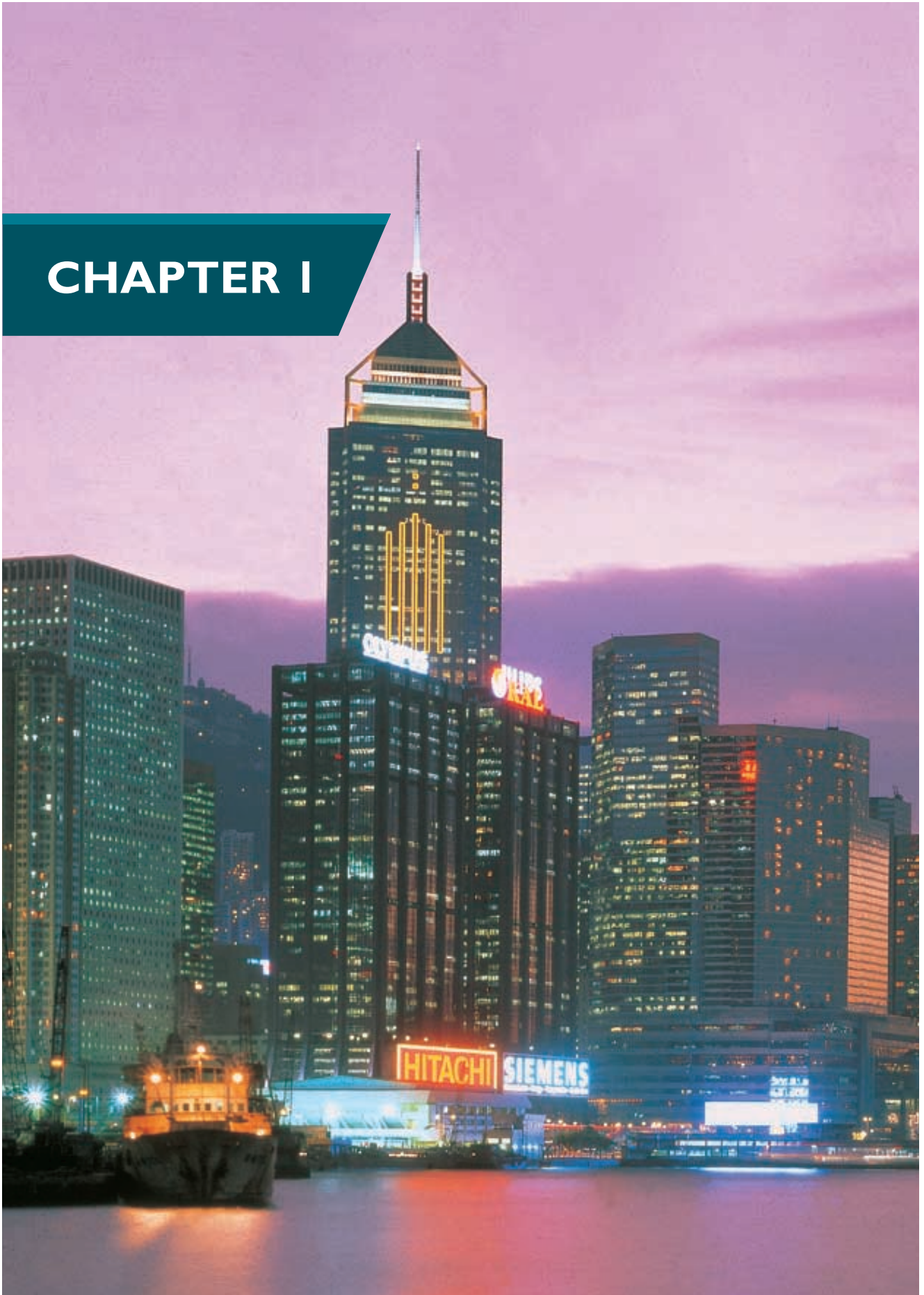


CHAPTER I





CHAPTER I - INTRODUCTION

Global situation

In the new information economy which emphasizes on knowledge, innovation and technology competency, development of human capital has become one of the key elements in the formula of success of a leading digital city. One of the major requirements for successful transformation to an information economy is the building of a highly competent information technology (IT) workforce. Skilled IT professionals are now the most valuable asset which countries/economies all over the world are competing for. As IT impacts on the economy as a whole, IT professionals are in demand not only in the IT industry but in practically all sectors of the economy.

"Human capital is the most precious asset of an information society but, while we need years to nurture a talent, technology changes almost everyday.

Therefore, the best IT manpower strategy works like a symphony, in which the sound foundation of basic IT education is augmented by the flexible and market-oriented training provided by the private sector."

Professor Charles Kao¹
Chairman, ITx Services Ltd.

Internationally recognised as the "Father of Fiber Optics" and former Vice Chancellor of the Chinese University of Hong Kong

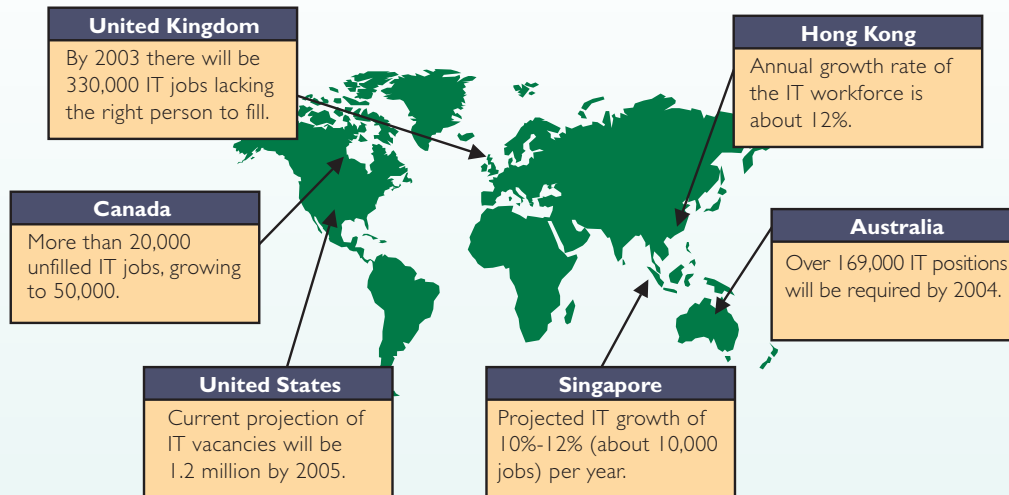
With the rapid development of the information economy, there is a shortage in the supply of IT manpower which has become a global phenomenon. The current worldwide IT skills deficit is estimated to be approaching 500,000. It is forecast to grow to one million by 2002. In five years' time, global demand for IT skills may outstrip supply by as much as 20%.



Professor Charles Kao

¹ Professor Charles Kuen Kao is recognised internationally as the 'Father of Fiber Optics'. He has worked in the technology field since the early 1960s and it was his pioneering research that spawned the birth of the now ever-expanding optical fiber communication industry. Among his international honours and awards are the Stewart Ballantine Medal, Rank Prize, L.M. Ericsson International Prize, Alexander Graham Bell Medal, Marconi International Fellowship, Faraday Medal of IEE, the Japan Prize, and the Charles Stark Draper Prize. Professor Kao was formerly the Vice Chancellor of the Chinese University of Hong Kong. He retired from this position in 1996. Presently, he is the Chairman of ITx Services Ltd., a consultancy business.

Global Demand for IT Workforce



Hong Kong position

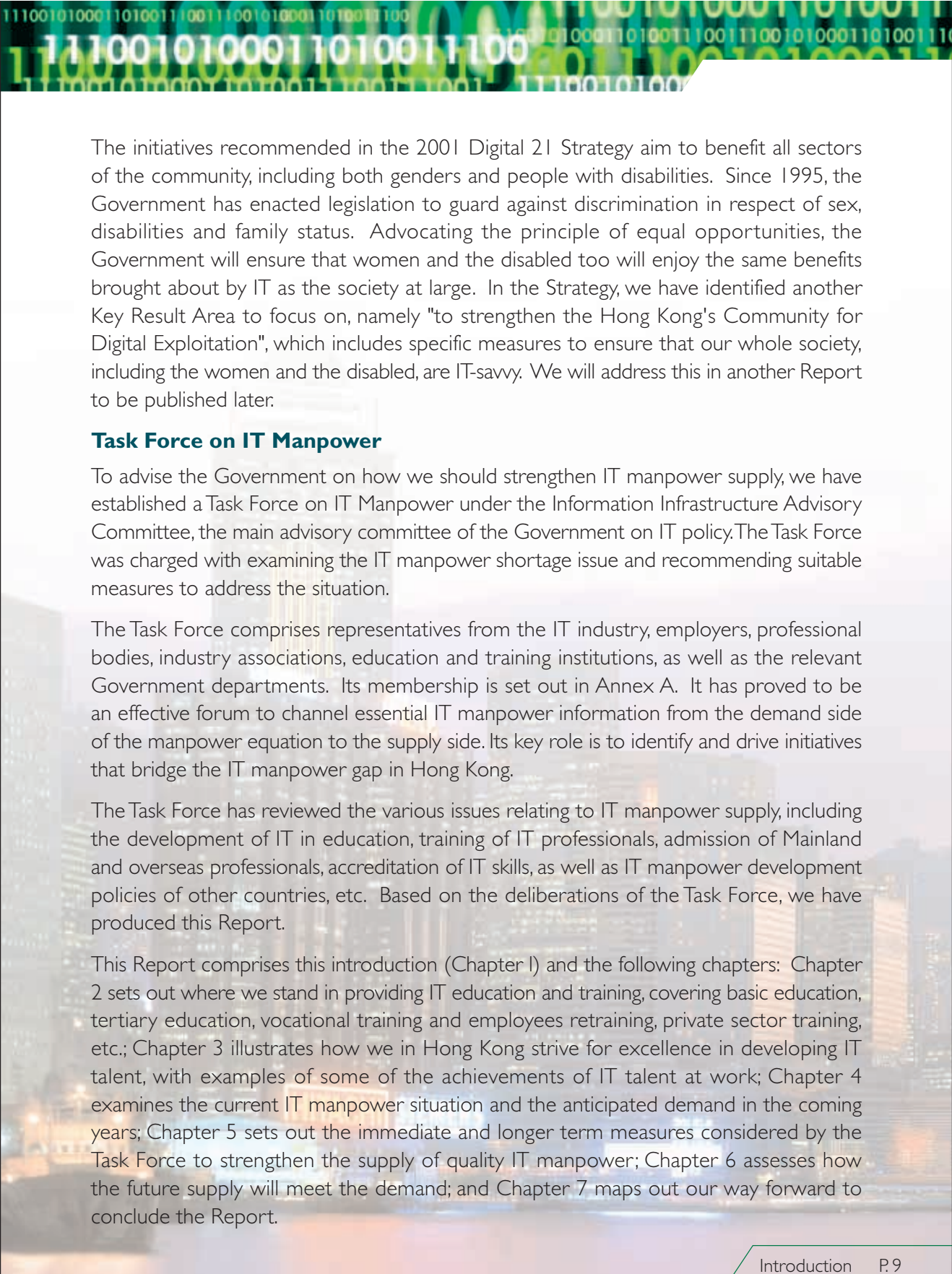
Hong Kong is no exception. We have pledged in our Digital 21 IT Strategy, which was first promulgated in 1998, to make Hong Kong a leading digital city in the globally connected world. We have embarked on a comprehensive and visionary programme of initiatives to implement the strategy. These initiatives drive the development of a vibrant IT industry and the emergence of a buoyant e-culture in the community. All these activities impose an increasing demand on the supply of IT manpower.

The Government fully recognises the importance of developing our IT workforce. We are totally committed to enhancing the supply of quality IT manpower and to equipping our future generations with the capabilities to learn and use IT. The goal is to develop an IT-savvy workforce to support the development of the information economy.

2001 Digital 21 IT Strategy

In the newly promulgated 2001 Digital 21 Strategy, we have identified "developing Hong Kong's workforce for the Information economy" as one of the key result areas to focus on in order to drive Hong Kong's development as a leading digital city. The policy objective is to:

- Implement effective short and medium term measures to address market requirements for IT skills.
- Adopt long term and sustainable solutions to develop a skilled IT workforce for the future.



The initiatives recommended in the 2001 Digital 21 Strategy aim to benefit all sectors of the community, including both genders and people with disabilities. Since 1995, the Government has enacted legislation to guard against discrimination in respect of sex, disabilities and family status. Advocating the principle of equal opportunities, the Government will ensure that women and the disabled too will enjoy the same benefits brought about by IT as the society at large. In the Strategy, we have identified another Key Result Area to focus on, namely "to strengthen the Hong Kong's Community for Digital Exploitation", which includes specific measures to ensure that our whole society, including the women and the disabled, are IT-savvy. We will address this in another Report to be published later.

Task Force on IT Manpower

To advise the Government on how we should strengthen IT manpower supply, we have established a Task Force on IT Manpower under the Information Infrastructure Advisory Committee, the main advisory committee of the Government on IT policy. The Task Force was charged with examining the IT manpower shortage issue and recommending suitable measures to address the situation.

The Task Force comprises representatives from the IT industry, employers, professional bodies, industry associations, education and training institutions, as well as the relevant Government departments. Its membership is set out in Annex A. It has proved to be an effective forum to channel essential IT manpower information from the demand side of the manpower equation to the supply side. Its key role is to identify and drive initiatives that bridge the IT manpower gap in Hong Kong.

The Task Force has reviewed the various issues relating to IT manpower supply, including the development of IT in education, training of IT professionals, admission of Mainland and overseas professionals, accreditation of IT skills, as well as IT manpower development policies of other countries, etc. Based on the deliberations of the Task Force, we have produced this Report.

This Report comprises this introduction (Chapter 1) and the following chapters: Chapter 2 sets out where we stand in providing IT education and training, covering basic education, tertiary education, vocational training and employees retraining, private sector training, etc.; Chapter 3 illustrates how we in Hong Kong strive for excellence in developing IT talent, with examples of some of the achievements of IT talent at work; Chapter 4 examines the current IT manpower situation and the anticipated demand in the coming years; Chapter 5 sets out the immediate and longer term measures considered by the Task Force to strengthen the supply of quality IT manpower; Chapter 6 assesses how the future supply will meet the demand; and Chapter 7 maps out our way forward to conclude the Report.