For discussion on 24 June 2024

## **Legislative Council Panel on Manpower**

#### **Implementation of Talent Attraction and Labour Importation Initiatives**

## **Purpose**

This paper briefs Members on the implementation of measures relating to talent attraction and labour importation as announced in the 2022 and 2023 Policy Addresses (PA). This paper also introduces the development of professional talents in key industries.

#### **Talent Attraction**

2. The Government announced in the 2022 PA an array of admission measures to attract and facilitate talents from all over the world to pursue development in Hong Kong. These include the launch of the Top Talent Pass Scheme (TTPS) targeting high-income talents and graduates from the world's top universities, as well as enhancement of various existing talent admission schemes. Meanwhile, the PA has set a key performance indicator of attracting at least 35 000 talents annually with an intended duration of stay of at least 12 months from 2023 to 2025, so as to facilitate the monitoring of progress and effectiveness in talent attraction. In response to local manpower shortage, further enhancement measures were announced in the 2023 PA to further promote the efforts on trawling for talents. In addition, the Government has established the Hong Kong Talent Engage (HKTE) for formulating strategies to recruit talents from the Mainland and overseas and co-ordinating relevant work, as well as providing one-stop support for incoming talents. The talent attraction initiatives announced in the PAs are set out in **Annex 1**.

## **Implementation of Talent Admission Schemes**

3. The talent admission measures announced in the PA have been implemented progressively since end-2022. Since their implementation, the talent admission schemes have been well-received by outside talents. As at end-May 2024, over 300 000 applications were received under various talent admission schemes, with about 190 000 applications approved. Details are set out in **Annex 2**. During the same period, nearly 130 000 talents arrived in Hong Kong through various talent admission schemes, exceeding the target of attracting

altogether 105 000 talents in three years.

- 4. Outside talents coming to Hong Kong for development can help alleviate manpower shortage, enrich the local talent pool and spur industry development, thereby making contribution to our economy. The Labour and Welfare Bureau (LWB) earlier conducted a survey on talents who had arrived in Hong Kong for more than six months with the TTPS visas. The results show that 54% of the incoming talents have been in employment, mainly in industries such as financial services, innovation, information and communication technology services, commerce and trade, etc., which are all key industries of Hong Kong. Their salaries are generally higher than the average salaries in Hong Kong, with median monthly employment earnings of about HK\$50,000. 25% of the talents receive a monthly income of HK\$100,000 or above, while 10% receive HK\$200,000 or above. Based on the results of the above survey, it is projected that the TTPS entrants who arrived in Hong Kong in 2023 will contribute directly to Hong Kong's economy by an amount of some HK\$34 billion per annum, which is equivalent to about 1.2% of the local Gross Domestic Product.
- 5. The LWB will review the TTPS and other enhanced talent admission arrangements in the middle of this year to ensure the competitiveness of relevant measures and their effectiveness in addressing Hong Kong's manpower demand.

## **HKTE's Global Promotion and Support Services for Incoming Talents**

- 6. Officially established in end-October 2023, the HKTE provides support for incoming talents and follows up on their development and needs after arrival, etc. The talent attraction strategies of the HKTE focus on five key areas, including:
  - (a) developing strategic engagement plans through big data analyses and different research findings to direct our talent attraction efforts and marketing investment;
  - (b) formulating and implementing targeted online and offline publicity programmes, making use of various platforms such as media interviews, digital and social media, etc. to tell good stories of Hong Kong, and promote Hong Kong's unique strengths and development opportunities, various talent admission policies as well as the HKTE's services, etc.;
  - (c) collaborating with various sectors, stakeholders, the Dedicated Teams for Attracting Businesses and Talents (Dedicated Teams) under the Mainland Offices (MOs) and overseas Economic and Trade Offices (ETOs), the Office for Attracting Strategic Enterprises (OASES), Invest Hong Kong (InvestHK) and the Belt and Road Office (B&R Office) to proactively reach out to talents by holding job fairs, seminars,

- exhibitions and important speaking engagements in the Mainland and overseas, with a view to attracting them to work and live in Hong Kong;
- (d) expanding its network of working partners to organise activities for prospective and new arrivals as well as their families, and provide them with information on living and working in Hong Kong, so as to help them broaden their social circle and integrate into the new environment; and
- (e) maintaining close contact with incoming talents to follow up on their development and needs in Hong Kong, and provide timely support services.

#### Work Progress of the HKTE

## Strategic Focus

- 7. The HKTE will promote various talent admission schemes in the worldwide markets to attract global talents with diverse backgrounds to pursue development in Hong Kong, thereby enriching the local talent pool for meeting the needs in social and economic development.
- 8. The HKTE will continue to maintain close liaison and collaboration with the Dedicated Teams in the MOs and overseas ETOs, the OASES, InvestHK, the B&R Office and other working partners, forming a strong Hong Kong delegation and achieving synergy in promoting Hong Kong's strengths and opportunities with a view to attracting enterprises and trawling for talents to settle in the city. The HKTE will also reach out to universities, professional associations and relevant institutions for promoting Hong Kong's talent admission policies and schemes. We will hold publicity events around the globe with a view to attracting talents directly by participating in job fairs, exhibitions and conventions as well as staging events and fora in priority target markets.

#### Formulation and Implementation of Targeted Publicity Measures

9. The HKTE leverages mainly the online mode and channels to outreach to talents outside Hong Kong and promote itself and its work. The HKTE has established an online platform (<a href="www.hkengage.gov.hk">www.hkengage.gov.hk</a>) with information on employment, local job vacancies, accommodation, education, healthcare, banking, insurance, taxation, transportation, etc. available to talents interested in coming to Hong Kong. Talents can also make enquiries and request support services from designated partners on the platform. Since its launch in December 2022 and up to end-May 2024, the online platform has recorded over 3.9 million cumulative page views and processed over 20 000 enquiries. Most of the enquiries involved matters on employment, talent admission schemes and visa applications.

10. The HKTE will actively utilise different platforms such as media interviews, digital and social media for promotion, now also on high reach platforms such as Facebook, Instagram, YouTube and Xiaohongshu, in addition to the previous two platforms (WeChat and LinkedIn). The HKTE will also provide more comprehensive contents on various media and platforms and feature timely and interesting posts, short stories, photos and videos, including the featuring of two TV Announcements in the Public Interest, so as to increase the number of social media post impressions and followers, and to promote Hong Kong's strengths and the HKTE's services with a view to connecting with talents around the globe.

#### Global Talent Summit • Hong Kong

- 11. To promote globally Hong Kong's dual roles as an international talent hub and the country's gateway for talents, as well as strengthen regional exchange and cooperation on talent attraction, the HKTE organised the Global Talent Summit Hong Kong (the Summit), the first talent-themed international forum and exhibition in Hong Kong, on 7 and 8 May 2024.
- 12. The Summit comprised three parts, i.e. International Talent Forum, the Second Guangdong-Hong Kong-Macao Greater Bay Area (GBA) High-quality Talent Development Conference and CareerConnect Expo, which brought together over 1 200 international and Mainland leaders from political, academic, business and other sectors to exchange trends and experiences in talent development. The Summit attracted participation of a total of around 13 000 people times with over 130 000 views on its live webcast, which were beyond expectations.

#### Cross-sector Collaboration and Talent Attraction

13. In addition to working closely with business chambers, associations and industry leaders, the HKTE has been actively collaborating with job recruitment platforms and organisations of professional sectors both in and outside Hong Kong for holding job matching sessions to assist incoming talents in securing employment or searching for more suitable job positions and environment in order to facilitate their pursuit of long-term development in Hong Kong. Since its establishment, the HKTE has co-hosted and participated in a number of exhibitions and job fairs, and held more than 30 events in conjunction with different working partners, including co-hosting an online live recruitment event with the Hong Kong Federation of Insurers in October 2023, participating in the 2nd National Conference on the Development of Human Resources Services held in Shenzhen in November 2023, taking part in the Innovating Hong Kong - Global Talent Carnival in March 2024, as well as co-hosting an online live job fair with local and Mainland job recruitment platforms in June 2024, etc.

14. With the signing of a Memorandum of Understanding (MoU) on promoting collaboration on talent services among the "9+2" cities in the GBA at the Second GBA High-quality Talent Development Conference, the HKTE will under the MoU framework continue to deepen collaboration on talent services in the GBA, including jointly promoting talent admission, nurturing and exchange, as well as expediting the building of a high-quality talent hub in the GBA. Besides, a MoU with Shanghai was signed on 8 June 2024 while another MoU with Qianhai is under discussion. Together with the partners with signed MoUs, the HKTE will lead delegations to overseas markets for joint promotions and drive awareness of different talent attraction initiatives and services.

#### <u>Understanding of Needs and Provision of Support</u>

- 15. Success in attracting talents to Hong Kong is just the beginning. Only through the successful retention of admitted talents can we meet the city's sustainable social and economic development needs. In this regard, the HKTE is committed to providing comprehensive one-stop support services to talents interested in coming to Hong Kong and those who have arrived through a variety of online and offline activities held in conjunction with working partners. These activities offer information on living tips and employment useful for talents' adaptation and integration into the life in Hong Kong as soon as possible.
- 16. Moreover, the HKTE online platform connects with over 50 designated working partners to provide talents with advice and services in respect of job seeking, accommodation, education, banking and insurance services, business and corporate services, integrated settlement services as well as networking and community through electronic matching services. Around 5 000 referrals of support service requests have been made so far. The online platform also features about 8 000 real-time quality job opportunities in the market daily for which talents can apply directly through the platform.

#### Future Plans

- 17. The HKTE will visit the Mainland and overseas markets to recruit talents and promote Hong Kong's unique strengths as an international talent hub, and will invite GBA partners to join for collaborated promotion with focus on Hong Kong as the gateway for talents to GBA. In 2024-25, the HKTE will prioritise its visits to target markets, including key Mainland cities with eligible universities (e.g. Beijing, Shanghai, Wuhan), as well as Southeast Asian and European countries (e.g. Malaysia, Indonesia, Germany, etc.) and North America.
- 18. Besides, the HKTE will continue to enrich the information on its online platform and pitch more media interviews to raise general awareness of its work, with the targets to increase the number of page views of the online platform from 2.23 million in 2023 to 6 million in 2024, the number of social media post

impressions from 7.88 million to 25 million, and the number of followers from 16 000 to 50 000.

- 19. The HKTE will continue to maintain close contact with talents, and provide support and services for their long-term settlement in Hong Kong. It is proactively expanding its talent support network by increasing the number of working partners from the existing 50-odd to 80 partners. Types and options of support services will also be enhanced to render more diversified and appropriate services to incoming talents and their families. The HKTE, with its working partners, will also organise no less than 36 online or physical themed seminars or workshops within the year, covering a wide range of topics such as job seeking, business start-up, education, accommodation, household knowledge, Cantonese learning, etc.
- 20. Looking forward, the HKTE will continue to leverage Hong Kong's unique strengths and development opportunities brought about by the strong support of the Motherland and the close connection to the world, and tell good stories of Hong Kong to attract more international talents to the city.

## **Labour Importation Schemes**

- 21. Due to population ageing, Hong Kong is experiencing a structural labour force shrinkage and many sectors are facing the problem of inadequate manpower. On the premise of ensuring employment priority for local workers, the Government has enhanced the mechanism for importation of labour to relieve manpower shortage and sustain the economic and social development of Hong Kong. The LWB launched the Special Scheme to Import Care Workers for Residential Care Homes (RCH) for the RCH sector on 19 June 2023, while the Development Bureau and the Transport and Logistics Bureau respectively launched sector-specific labour importation schemes for the construction and transport sectors on 17 July 2023.
- 22. In addition, the Labour Department (LD) has implemented the Enhanced Supplementary Labour Scheme (ESLS) since 4 September 2023 to enhance the coverage and operation of the previous Supplementary Labour Scheme, including suspending the general exclusion of the 26 job categories<sup>1</sup> as well as unskilled/low-skilled posts from labour importation for two years. Since the launch of ESLS and up to 31 May 2024, over 4 800 applications seeking to import nearly 45 600 workers were received under ESLS, and nearly 1 600

worker.

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The 26 job categories comprise sales representative, sales assistant, waiter/waitress, receptionist, cashier, junior cook, food processing worker, clerical worker, teller, computer/key punch operator, telephone operator, linen attendant, washer, presser, hair stylist, warehouse keeper, cutter, cutting room operative, inspection operative, delivery worker, driver, demolition worker, mason, spray paint worker, drain layer and leakage

applications seeking to import some 11 500 workers were approved. Of the remaining 3 200 applications being processed, about 600 have commenced or completed local recruitment, and it is expected that the vetting process will be completed within two to three months.

- Applicant employers must comply with the requirements of relevant labour importation schemes, such as the ratio of the number of imported workers to the number of local workers, the requirements of local recruitment and the wages of imported workers being no less than the prevailing median monthly wages of comparable positions in the market. As regards ESLS, the median monthly wages are compiled by the Census and Statistics Department based on the earnings of working labour force in the specified survey reference month. The median monthly wages of common posts are updated biannually.
- 24. The Government attaches great importance to the rights and benefits of imported workers. Apart from according imported workers the same protection as local workers under Hong Kong's labour laws including the Employment Ordinance, Employees' Compensation Ordinance and Occupational Safety and Health Ordinance, employers must also sign a Standard Employment Contract (SEC) prescribed by the Government with imported workers. The SEC stipulates that employers must pay wages to imported workers by means of automatic payment and arrange them to attend briefings on employment rights, so as to facilitate their understanding of employment rights and benefits, as well as the channels for seeking assistance and making complaints. Should complaints from imported workers be received, LD will promptly follow up and provide assistance.

## **Development of Professional Talents**

- 25. Hong Kong is facing the challenge of manpower shortage. The LWB is responsible for coordinating the overall manpower and labour policies. It strives to strengthen the quality and quantity of the local labour force through encouraging training and continuing education from a macro perspective. The LWB is also responsible for policies and measures for importation of talents and labour.
- 26. The development of professional talents in different industries is overseen by policy bureaux responsible for and with knowledge about the relevant industries. Relevant policy bureaux have been in close contact with the industries to understand the latest developments and manpower needs of the industries, so as to formulate and optimise corresponding measures so as to attract and train sufficient professional talents to promote the development of related industries. The following briefly introduces the development of professional

talents in the financial services sector as well as the innovation and technology (I&T) sector for the reference of the Panel.

- 27. Relevant policy bureaux have implemented different measures in nurturing talents. As regards the financial services sectors, the Government attaches great importance to nurturing the financial talent pool. Comprehensive and full-fledged strategies have been mapped out to facilitate the career development of young students and assist practitioners in grasping the emerging opportunities in the market. The Government has launched various initiatives in recent years to attract and nurture financial talents, including providing tertiary students and graduates with courses on practical industry knowledge, internships and subsidies; providing practitioners with professional training and subsidies; and sponsoring activities of professional exchanges. The initiatives cover the sectors of banking, asset and wealth management, insurance, green and sustainable finance, Fintech and accounting.
- 28. In the I&T sector, the Government, through the STEM Internship Scheme, encourages university students taking STEM (Science, Technology, Engineering and Mathematics)-related programmes to gain experience in I&T-related work during their studies. In addition, the Government sponsors the "Innovation and Technology Scholarship" to subsidise university students to participate in I&T-related exchange activities. The Government also funds eligible companies or organisations through the Research Talent Hub (RTH) to engage university graduates in STEM-related disciplines to conduct research and development work. In 2023, the Government increased the allowance for engaging research talents under RTH and provided additional living allowance to research talents with doctoral degrees.
- 29. Different policy bureaux will continue to closely liaise with stakeholders of their industries, and formulate corresponding measures in response to the latest industry development and manpower situation so as to attract and train sufficient talents to maintain the competitiveness of relevant industries.

## **Advice Sought**

30. Members are invited to note the content of this paper, and offer views on the HKTE's work and future plans.

Labour and Welfare Bureau June 2024

Annex 1

## Various talent attraction measures announced in the Policy Addresses

The talent attraction measures as announced in the 2022 and 2023 Policy Addresses are listed as follows:

|     | Initiatives  | Implementation date |
|-----|--|---------------------|
| (1) | Establish the "Talents Service Unit" as a dedicated service unit for attracting talents.   | December<br>2022    |
| (2) | Launch the "Top Talent Pass Scheme" for a period of two years to attract talents to work in Hong Kong. Eligible talents include individuals whose annual salary reached HK\$2.5 million or above in the past year, and graduates from the world's top 100 universities.  | December            |
| (3) | Enhance the "General Employment Policy" and the "Admission Scheme for Mainland Talents and Professionals", so that employers intending to import talents in respect of professions with a shortage of supply of local candidates may submit their applications direct without the need to provide evidence to substantiate local recruitment difficulties. | December<br>2022    |
| (4) | Relax the stay arrangements under the "Immigration Arrangements for Non-local Graduates" and extend its scope to cover those who graduate from the GBA campus of a Hong Kong university on a pilot basis for a period of two years.  | December            |
| (5) | Suspend the annual quota under the "Quality Migrant Admission Scheme" for a period of two years.   | December<br>2022    |
| (6) | Relax the stay arrangements for various talent admission schemes and streamline the visa renewal processing.   | December<br>2022    |
| (7) | Enhance the "Technology Talent Admission Scheme" by lifting the local employment requirement, lengthening the quota validity period from one year to two years, and incorporating emerging and promising technology areas into the scheme as necessary for timely response to the needs of the technology sector.  | December<br>2022    |

|      | Initiatives  | Implementation date |
|------|--|---------------------|
| (8)  | Update the "Talent List" to reflect the latest shortage and market demand for talents in relevant professions through stakeholders' consultation and studies.  | 1/1/21/             |
| (9)  | Establish the physical office of the "Hong Kong Talent Engage" to provide support for incoming talents, formulate talent recruitment strategies, follow up talents' development and address their needs after their arrival in Hong Kong.  | October             |
| (10) | Expand the list of eligible universities under the "Top Talent Pass Scheme" to cover a total of 184 institutions with eight additional top institutions from the Mainland and overseas, so as to further expand the network for attracting global talents.   | November            |
| (11) | Host the Global Talent Summit cum Guangdong-Hong Kong-Macao Greater Bay Area High-quality Talent Development Conference, so as to bring together leaders from the political, academic, commercial and other sectors around the world to promote regional exchange and cooperation in talent recruitment.                             | May<br>2024         |
| (12) | Starting from the 2024/25 admission cohort, allow non-local students of designated full-time professional Higher Diploma programmes of the Vocational Training Council to stay in Hong Kong for one year after graduation to seek jobs relevant to their study disciplines. This pilot arrangement will be reviewed after two years. | September<br>2024   |

## Annex 2

# Numbers of applications received and approved under various talent admission schemes

Since the implementation of enhanced talent admission regime in late 2022 and up to end-May 2024, the numbers of applications received and approved under various talent admission schemes are tabulated as follows:

| Talent admission scheme (Note 1)  | Number of applications received | Number of applications approved |
|---|---------------------------------|---------------------------------|
| Top Talent Pass Scheme  | 85 424                          | 68 098                          |
| General Employment Policy   | 44 831                          | 41 499                          |
| Admission Scheme for Mainland Talents and Professionals                                   | 33 522                          | 29 724                          |
| Immigration Arrangements for Non-local Graduates  | 32 487                          | 30 837                          |
| Technology Talent Admission Scheme  | 200                             | 169                             |
| Quality Migrant Admission Scheme (Note 2)   | 109 753                         | 18 539                          |
| Admission Scheme for the Second<br>Generation of Chinese Hong Kong Permanent<br>Residents | 212                             | 129                             |
| Total   | 306 429                         | 188 995                         |

- Note 1: Applications approved in a given period may not all be received in the same period.
- Note 2: The numbers of applications approved refer to the numbers of successful cases selected by the Advisory Committee on Admission of Quality Migrants and Professionals.