

Research Office Legislative Council Secretariat



ISSH29/18-19

Supplementary Labour Scheme

Figure 1 – Unemployment rate and job vacancies, 2003-2018

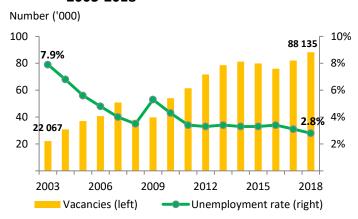
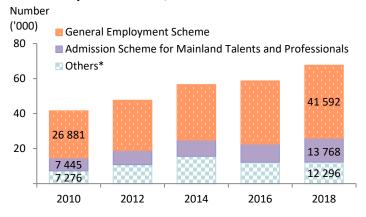
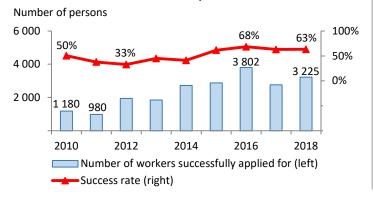


Figure 2 – Annual number of approvals for admitted professionals, 2010-2018



Note: (*) Including Quality Migrant Admission Scheme, Capital Investment Entrant Scheme, Immigration Arrangements for Non-local Graduates, and Technology Talent Admission Scheme.

Figure 3 – Annual number of approvals for imported workers under SLS, 2010-2018



Highlights

- Local labour market has become tighter amidst sustained economic recovery over the past 15 years, with unemployment rate declining steadily from 7.9% in 2003 to 2.8% in 2018. Meanwhile, the number of job vacancies quadrupled to 88 135 in 2018, representing 2.8% of total job opportunities (Figure 1). To relieve manpower shortage and to supplement skills not readily available in the market, local employers can import workers through a number of schemes.
- For higher skilled professionals, those from the Mainland are admitted under the "Admission Scheme for Mainland Talents and Professionals", and those from other places under "General Employment Policy". Together with other schemes of smaller scale, the annual number of admitted professionals has increased by some 60% in eight years to 67 656 in 2018 (Figure 2). Newly admitted professionals are usually granted an initial stay of up to two years in Hong Kong.
- For lower-skilled workers at technician level or below (other than foreign domestic helpers), employers can import them through the Supplementary Labour Scheme ("SLS"). To protect local workers, employers are required to (a) prove genuine recruitment difficulties; (b) pay imported workers not less than the local median wages in such positions; and (c) maintain a ratio of two local workers to one imported worker. Each application is vetted by Labour Advisory Board. During 2010-2018, the number of approved workers surged by 173% to 3 225, with a success rate of 63% in 2018 (Figure 3).

Supplementary Labour Scheme (cont'd)

Figure 4 – Imported workers under SLS by selected sectors, 2010-2018

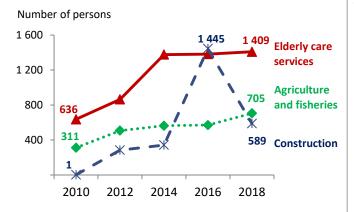
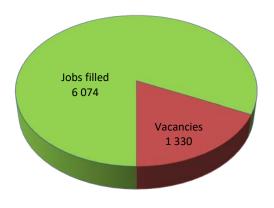


Figure 5 – Vacancies in overall elderly care services, 2010-2018



Figure 6 – Vacancies of care workers in subsidized elderly services in 2017



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Highlights

- Analysed by sector, elderly care services sector imported the largest number of workers under SLS, accounting for 44% of the total in 2018 (Figure 4). This was followed by agriculture and fisheries (22%), along with ageing of local farmers and fishermen. For the construction sector, demand for imported workers used to be strong in the mid-2010s, but has weakened more recently upon winding down of a few infrastructure projects like Hong Kong-Zhuhai-Macau Bridge. Also attributable to the drop were the initiatives to enhance training of local workers by the Construction Industry Council in recent years. In 2018, the number of imported workers in construction plummeted by a total of 59% compared to 2016, taking up 18% of the total number of imported workers.
- More specifically on elderly care sector, there is acute shortage of local manpower supply, partly due to its unattractive working conditions and remunerations. For instance, the median wage of elderly services was only HK\$13,000 in 2018, about one fourth lower than that of HK\$17,500 for the entire economy. Despite the two-fold increase in the number of imported workers during 2010-2018, the number of vacancies in elderly care services still nearly tripled to 2 630, accounting for 10% of overall available positions in 2018 (Figure 5).
- At present, only private institutions in elderly care services can import workers, but not so for subsidized institutions which observed a higher vacancy rate of 18% in 2017 (Figure 6). In view of rising service demand amidst the ageing trend in society, the Chief Executive announced in the 2017 Policy Address to consider increasing flexibility to import care workers for subsidized institutions as well. The Government is still exploring the proposal at this juncture.
- To boost local supply of care workers, the Government launched the Navigation Scheme for Young Persons in Care Services in July 2015, encouraging young people to work in this sector after training. At end-2018, while a total of 1 018 trainees had been recruited by service operators under the Scheme, 41% left in the process.

Data sources: Latest figures from Census and Statistics Department, Immigration Department, Labour Department and Social Welfare Department.

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