For information on 22 September 2025

Legislative Council Panel on Manpower

The Chief Executive's 2025 Policy Address Policy Initiatives of the Labour and Welfare Bureau

Purpose

This paper elaborates on major initiatives pertaining to the labour and manpower portfolio under the purview of the Labour and Welfare Bureau (LWB) as set out in the Chief Executive's 2025 Policy Address and Policy Address Supplement.

Policy Priorities and New Initiatives

2. In the face of industrial transformation and a continuously ageing population, the Government is committed to enhancing the competitiveness of Hong Kong's workforce and expanding the talent pool, while strengthening labour protection and support to help unleash the potential labour force. The Government also closely monitors the employment market, makes timely and targeted adjustments to the implementation arrangements for labour importation as well as combats abuse, so as to ensure employment priority for local workers and maintain labour supply to support Hong Kong's economic development. To achieve these objectives, we will introduce the following measures.

Talent admission policies

- 3. The Government has implemented a host of measures to proactively trawl for talents since end-2022. As at August this year, we successfully attracted more than 230 000 global elites from diverse backgrounds to come to Hong Kong for work and development. Among others, as at August this year, over 140 000 applications had been received under the Top Talent Pass Scheme (TTPS), which was launched in end-2022 targeting high-income individuals and bachelor's degree holders from top-notch universities worldwide. Of these applications, approximately 110 000 were approved and nearly 100 000 talents arrived in Hong Kong.
- 4. The visas issued under TTPS began to expire since end-December last year. The ratio of the admitted talents applying for extension of stay is

- 2 -

satisfactory so far, reflecting the effectiveness of the Scheme. As at August this year, the limit of stay for a total of around 18 000 TTPS talents expired. The Immigration Department received applications for extension of stay from around 9 900 of these TTPS talents, representing an application rate of about 55%.

- 5. TTPS talents who are granted approval for extension of stay are very competitive in the market and are generally high-income earners. Their median monthly salary is approximately \$40,000; with around 25% earning more than \$80,000 per month, about 10% earning \$120,000 or more, and the top 1% earning \$300,000 or above. Based on the statistics of the applications for extension of stay and the findings of follow-up surveys, it is projected that TTPS will contribute directly to Hong Kong's economy some \$34 billion per annum, tantamount to approximately 1.2% of the local Gross Domestic Product (GDP). Overall, TTPS has successfully attracted a group of outstanding young top talents to settle in Hong Kong. They are gradually integrating into the local society and becoming an important driver for Hong Kong's social and economic development.
- 6. The majority of talents admitted to Hong Kong under various talent admission schemes are young people, with approximately 70% under the age of 40, and nearly all those admitted under Category C of TTPS are aged 30 or below. This group of young talents injects fresh impetus into and brings diverse skill sets to Hong Kong, further enriching the local talent pool. Their arrival in Hong Kong is also expected to help alleviate the long-term challenges brought by an ageing population, and inject sustained momentum into Hong Kong's social development.
- 7. Last year's Policy Address announced that the Government would update the Talent List in early-2025 to include top talents and professionals required for the development of industries related to the "eight centres" with a view to injecting new impetus into their growth. LWB and relevant bureaux and departments, after careful consideration, completed the update to the Talent List by adding nine professions to tie in with Hong Kong's development of a high value-added and diversified economy. The updated Talent List took effect from 1 March this year. The Government will continuously monitor manpower changes in Hong Kong and review the Talent List from time to time based on the demand for talents.
- 8. The Government also introduced from 30 June this year a new channel under the General Employment Policy and the Admission Scheme for Mainland Talents and Professionals to allow outside non-degree professionals to apply for entry into Hong Kong to join eight skilled trades facing acute manpower shortage, as specified in the Technical Professional List. The Government will closely monitor the implementation situation of the new measure and conduct a review after the first year of introduction.

- 3 -

Allowing full-time non-local postgraduate and undergraduate students to take up part-time jobs

9. The Government will continue to exempt over 70 000 full-time non-local postgraduate and undergraduate students from restrictions on taking up part-time jobs with a view to enhancing their personal exposure and knowledge for working in Hong Kong. This measure not only incentivises them to stay in Hong Kong for development after graduation, but also helps attract more foreign students to study in Hong Kong.

Strengthening efforts in attracting and supporting talents

10. To further develop Hong Kong into an international hub for high-calibre talents, the Hong Kong Talent Engage (HKTE) will continue to strengthen its publicity and talent attraction efforts. To trawl for more international talents, HKTE will continue to organise promotional activities in the Mainland, Asia-Pacific, Europe, the Middle East and North America to promote Hong Kong's strengths, and enhance collaboration with Mainland cities in jointly organising overseas publicity activities to promote regional development opportunities and collaborate in attracting talents. HKTE will host the "Global Talent Summit Week" in March 2026 to highlight Hong Kong's advantages as an international talent hub and the country's gateway for talents. In addition, HKTE will continue to enhance its support services for talents by organising more seminars, job fairs, workshops and integration activities to help incoming talents settle in Hong Kong.

Reforming the Employees Retraining Board

- 11. Since its establishment in 1992, the Employees Retraining Board (ERB) has been providing comprehensive and multifarious training and retraining services for the local workforce. The Policy Address last year announced the reform of ERB to elevate its role and positioning as the provider of skills-based training programmes and strategies for the entire workforce. ERB will assist members of the workforce from all walks of life and different educational attainments in continuously upgrading their skills and competitiveness so as to meet the needs of Hong Kong's economic development and industries.
- 12. ERB is undertaking comprehensive reforms, and has already enhanced since early this year such services as training and career planning, including lifting the cap on the educational attainment of trainees and expanding its service targets to the entire local workforce aged 15 or above. ERB has already outlined an initial reform roadmap for the next three years, and will strengthen its industry consultative mechanism, identify the demand for and gaps of core skills in a

targeted manner in order to devise a skills-based training framework. It will also collaborate with higher education institutions and guide other training bodies in developing courses of various types and levels to fill the gaps of skills. In future, ERB will launch micro-credential courses recognised by industries for trainees to flexibly choose from, and make good use of applied technology to offer diversified and flexible modes of learning.

13. Upon formulation of the full implementation plan by ERB by the end of this year, the Government will amend the Employees Retraining Ordinance (Cap. 423) to, among others, rename ERB and enable it to perform its functions more flexibly and effectively. It is our target to complete the legislative amendments by mid-2027.

Ensuring employment priority for local workers

- 14. The ongoing ageing population has led to a decline in Hong Kong's labour force. Importing labour at an appropriate scale helps ease manpower shortage and is in Hong Kong's overall interests. To ensure employment priority for local workers, the Labour Department (LD) has introduced measures to combat abuse in job categories with more imported workers under the Enhanced Supplementary Labour Scheme (ESLS). From 18 September this year, when applying to import waiters and junior cooks under ESLS:
 - (a) the local recruitment period for employers will be extended from four weeks to six weeks, during which an employer must once a week attend an on-site job fair organised by LD; and
 - (b) the manning ratio requirement will be tightened by changing the calculation basis of applying the ratio from all posts of an applicant employer to each post under application. In other words, an employer applying to import a waiter and a junior cook must have already employed two local full-time waiters and two local full-time junior cooks.
- 15. LD expects to complete the review of ESLS in the first half of 2026, covering its scope, operation and implementation arrangements, measures to promote and ensure employment priority for local workers, as well as measures to protect the rights and benefits of imported workers. In addition, LWB has commenced a mid-term update of the Manpower Projection (see paragraph 22), and will accord priority to data analysis for industries with a higher proportion of imported workers to support the Government's medium- and long-term planning.
- 16. In addition, the Government will ramp up efforts to combat illegal work, strengthen intelligence collection and step up inter-departmental joint

enforcement operations to safeguard the employment opportunities of local workers.

Strengthening labour protection and support

Reviewing the Re-employment Allowance Pilot Scheme

- 17. LD launched the three-year Re-employment Allowance Pilot Scheme (REA Scheme) on 15 July 2024 to encourage persons aged 40 or above to re-join the employment market. As at August this year, the REA Scheme recorded over 50 000 participants and over 27 000 placements. In parallel, LD has been implementing the Employment Programme for the Elderly and Middle-aged (EPEM) to encourage employers to hire persons aged 40 or above and provide them with on-the-job training.
- 18. LD will continue to collect and collate information and statistics on participants and placements under the REA Scheme, and conduct a mid-term review of the Scheme in Q1 2026, along with EPEM, to explore further measures for encouraging silver employment.

Reviewing the Statutory Minimum Wage rate

19. The Government has agreed to the new mechanism of adopting a formula ¹ for implementing annual review of the Statutory Minimum Wage (SMW) rate proposed by the Minimum Wage Commission (MWC). MWC is conducting a review under the new mechanism and will submit its recommendation report by end-February 2026. The first SMW rate derived under the new mechanism is expected to take effect on 1 May 2026.

Protecting digital platform workers

20. The Government has established a Tripartite Committee for the Digital Platform Industry (Tripartite Committee), comprising representatives from the Government, platform companies and labour organisations, to jointly explore suitable measures for protecting platform workers. Last year, LD collected data on the working conditions of platform workers and their views on protection matters through surveys and consultations, including a Thematic Household

The formula is: The annual rate of adjustment in SMW (%) = Headline Consumer Price Index (A) (CPI(A)) inflation (Note) (subject to a lower bound of zero) + [(the growth rate of the real GDP in the latest year – the trend growth rate of the real GDP in the latest decade) × 20%] (economic growth factor). The economic growth factor is subject to an upper bound of one percentage point and a lower bound of zero.

(Note: It refers to the year-on-year rate of change in the headline CPI(A).)

_

Survey, opinion surveys and focus group meetings. The survey results revealed that platform workers were most concerned about work injury compensation matters. Having regard to these findings and stakeholders' views, the Government will introduce legislation to enhance the work injury compensation mechanism for platform workers engaged in food or goods delivery services, with the aim of submitting the legislative proposals in 2026. The Government will also continue to make good use of the Tripartite Committee to discuss issues of concern to the stakeholders.

Ongoing Initiatives

21. In addition to the above policy priorities and new initiatives, LWB and LD will continue to take forward various tasks and initiatives set out in paragraphs 22 to 35 below to commence a mid-term update of the Manpower Projection, expand our vocational talent pool, enhance employment rights and benefits, foster sound trade union management and promote patriotism, promote family-friendly practices and enhance occupational safety and health (OSH).

Commencing a mid-term update of the Manpower Projection

22. LWB has recently commenced a mid-term update of the Manpower Projection to update the projection of manpower situation for 2028 based on the latest situation in 2025. We plan to commence sectoral consultations in Q4 this year to collate the latest advice and views from major stakeholders of various industries on the manpower and skill requirements for 2025-2028. The update will focus on analysing the impact of recent global and local developments (such as changes in the economic environment, the rapid adoption of artificial intelligence and digitalisation in business operations, as well as the Government's latest manpower-related measures) on Hong Kong's future manpower prospects. The findings of the mid-term update of the Manpower Projection are expected to be released in Q4 2026.

Expanding vocational talent pool

23. LWB will continue to provide subvention to the Vocational Training Council (VTC) to offer various courses to upgrade the skills and knowledge of inservice personnel. Additionally, VTC will provide registered apprentices of the Apprenticeship Scheme with an additional monthly training allowance of \$1,000 for a period of three years starting from 2024/25. As at August this year, more than 4 500 registered apprentices received the additional training allowance. In addition, graduated apprentices will be subsidised to continue to undertake upskilling courses of relevant trades upon employment, capped at a total subsidy

of \$30,000 per person, to be disbursed at the 18th and 36th months of post-apprenticeship service, with cumulative ceilings of \$10,000 and \$20,000 respectively. It is anticipated that applications will be received starting from the end of this year.

- 24. In addition, the Government announced the launch of the Vocational Professionals Admission Scheme (VPAS) to allow non-local students enrolled in full-time Higher Diploma (HD) programmes of VTC in designated academic years (AY) to stay in Hong Kong for one year after graduation to seek relevant jobs, with a view to alleviating the vocational and professional manpower shortages. The eligible programmes under VPAS have admitted 600 students and over 800 students in the 2024/25 and 2025/26 AYs respectively. The initial cohort of students admitted in the 2024/25 AY will graduate by mid-2026, and VPAS will be open for applications then.
- 25. Given the persistent vocational and professional manpower shortages and succession problems in skilled trades, and in view of the success of the pilot programme in attracting non-local students to enroll in HD programmes of the relevant trades, which helps attract more entrants to these trades in the long term, the Government has decided to extend the pilot VPAS to allow non-local students from the 2026/27 and 2027/28 AYs to apply to stay in Hong Kong to seek employment related to their programmes of study. The scale of the extended Following consolidation, the number of eligible pilot remains unchanged. programmes is maintained at 34, while the number of trades covered will increase from 12 to 13, including aviation, transport and logistics; innovation and technology; electrical and mechanical services; building, civil engineering and built environment; maritime services; environmental conservation; automobile engineering; laboratory service; e-commerce; property management; healthcare, life and health technology; as well as hotel and tourism, which is newly added.

Enhancing employment rights and benefits

<u>Implementing the new "continuous contract" requirement under the Employment</u> Ordinance

26. The new "continuous contract" requirement under the Employment Ordinance (Cap. 57) will take effect on 18 January 2026, enabling employees who meet the new requirement to enjoy comprehensive employment rights. Under the new requirement, an employee is regarded as being employed under a "continuous contract" if he has been employed continuously by the same employer for four weeks or more and has worked at least 17 hours each week; or, where an employee works fewer than 17 hours in any week, he has worked at least 68 hours in a four-week period comprising that week and the three weeks immediately preceding it.

Raising the statutory rates of reimbursable medical expenses for employees injured at work or occupational disease sufferers

27. LD has reviewed the maximum daily rates of medical expenses reimbursable under the Employees' Compensation Ordinance (Cap. 282) and the Pneumoconiosis and Mesothelioma (Compensation) Ordinance (Cap. 360) to enhance the protection for employees. The Government will shortly introduce resolutions into the Legislative Council to amend the medical expense rates under the aforesaid ordinances, with a view to bringing the new medical expense rates into effect on 1 January 2026.

Fostering sound trade union management and promoting patriotism

- 28. In July this year, the Government completed amendments to the Trade Unions Ordinance (Cap. 332). The new requirements, which mainly cover safeguarding national security and improving the trade union regulatory regime, will take effect on 5 January 2026. The Registry of Trade Unions of LD will step up publicity and prepare reference guidelines, templates, etc. to help trade unions understand and comply with the new requirements.
- 29. In addition, the Government will use the Hong Kong Jockey Club's "Dedicated Funding for the Chief Executive" to fund a non-governmental organisation to compile and publicise historical materials on the 100-year development of Hong Kong trade unions, with a view to enhancing the cultural confidence and patriotism of the people of Hong Kong (especially the younger generation). The organisation will commence the compilation work shortly.

Promoting family-friendly practices

30. LD will launch a new "Good Employer Charter" in Q1 2026. The Charter will focus on encouraging and commending employers for implementing family-friendly employment practices that support childcare, thereby helping employees (including working parents who need to take care of children) balance their work and family needs.

Enhancing occupational safety and health

31. LD will continue to keep close tabs on the OSH performances and risk changes across various industries. Based on workplaces or risks of work processes and pursuant to the risk-based principle, LD formulates and adjusts strategies in a timely manner for inspection and enforcement, publicity and promotion, education and training, as well as application of innovative technologies, etc. to foster an OSH culture and reduce OSH accidents.

- 32. In addition to strengthening OSH inspections targeting high-risk workplaces or work processes, LD will make optimal use of suitable technologies to assist in law enforcement work and enhance its effectiveness. Starting from October this year, LD will deploy small unmanned aircraft for aerial photography to assist in OSH inspections, accident investigations, evidence collection, etc.
- 33. Furthermore, LD actively promotes the optimal use of innovative technologies in the industry to improve OSH and encourages the industry to develop suitable innovative technologies. For example, with LD's facilitation, the industry has developed an artificial intelligence tripping device to prevent workers from being trapped and injured when a goods vehicle tail lift is closing. Looking ahead, LD will launch various initiatives, including co-organising the "OSH Innovation and Technology Expo 2026" with the Occupational Safety and Health Council to showcase innovative solutions, products and technologies that drive OSH innovation. To promote broader application of innovative technologies across industries for enhancing OSH, LD will provide advice on OSH legislation to support the industry in developing and introducing OSH-enhancing technological products, with a view to reducing risks faced by workers in high-risk work.
- 34. LD has revised the "Code of Practice for Safety and Health at Work in Confined Spaces" to enhance safety and health in confined space work. In view of Hong Kong's increasingly hot weather in recent years, LD issued the "Guidance Notes on Prevention of Heat Stroke at Work" and launched the "Heat Stress at Work Warning" system to help employers and employees formulate appropriate preventive measures according to different levels of heat stress, thereby reducing employees' risk of heat stroke at work. LD will also revise the "Code of Practice for Safe Use of Tower Cranes" by introducing new safety requirements, such as installation of tower crane alarm systems and adoption of remote-control tower crane systems.
- 35. In respect of publicity and promotion work, LD will continue to collaborate with relevant organisations to produce promotional videos and disseminate OSH messages through multiple channels, such as the OSH 2.0 mobile application. In line with enforcement strategies, LD will, through thematic publicity, step up promotion of the serious consequences of violating the law, with a view to raising duty holders' awareness of legal compliance. At the same time, through community platforms of the Home Affairs Department, LD will continue to promote safety measures and relevant legal knowledge relating to Renovation, Maintenance, Alteration and Addition works, including truss-out scaffolding work. As regards education and training, LD will continue to review and enhance mandatory safety training courses to improve their overall quality and strengthen monitoring of the performances of training course providers and

trainers.

Conclusion

- 36. The Government will continue to work closely with employers and employees as well as different sectors of the community in implementing various labour and manpower initiatives outlined above.
- 37. To monitor the progress and effectiveness in implementing various policies, LWB has set various indicators in respect of the labour and manpower portfolio, which are outlined at **Annex**.

Labour and Welfare Bureau Labour Department September 2025

Indicators for Specified Tasks under the Labour and Manpower Portfolio in the Chief Executive's 2025 Policy Address

(I) New Indicators

- In 2026, the Hong Kong Talent Engage will:
 - Organise the "Global Talent Summit Week"; and
 - ➤ Organise 55 thematic seminars, job fairs, workshops and integration activities to help incoming talents settle in Hong Kong.
- Collaborate with the Employees Retraining Board (ERB) to take forward reform in the medium to long term, including renaming the ERB and amending the Employees Retraining Ordinance to reflect its new positioning, with the target of completing the legislative amendments by mid-2027.
- Release the results of the mid-term update of the manpower projections in 2026 to provide the latest information on the manpower situation in relation to the key industries driving Hong Kong's economic growth and essential services supporting the city's operation.
- Submit legislative proposals for improving the work injury compensation mechanism for digital platform workers through legislation within 2026.

(II) On-going and Valid Indicators for Specified Tasks Introduced in the 2024 Policy Address

- To attract talents, approve at least 50 000 visa extension applications annually for talents admitted through talent admission schemes from 2025 to 2027, an increase of no less than 40% over the annual average from 2021 to 2023.
- Provide training allowance for no fewer than 7 000 registered apprentices and subsidise graduated apprentices in undertaking upskilling courses of relevant trades over a three-year period starting from the 2024/25 academic year.

- In 2026, the Hong Kong Talent Engage will:
 - Conduct at least 20 outreach visits to the Mainland, Asia-Pacific, Europe, Middle East and North America regions to organise promotional activities for attracting talents; and
 - In collaboration with major Mainland cities, organise at least one promotional activity to promote regional development opportunities in attracting overseas talents.
- Strengthen occupational safety and health: Reduce the five-year average industrial accident rate per 1 000 construction workers by at least 10% from 29.8 in 2021 to 26.8 in 2026.