



25 July 2024

Ms Alice Lau, JP
Permanent Secretary for Labour and Welfare
Labour and Welfare Bureau

Dear Ms Lau,

Hong Kong Institute of Human Resource Management's Views on Future Development Direction of ERB

The Hong Kong Institute of Human Resource Management (HKIHRM) welcomes the initiatives undertaken by the Employees Retraining Board (ERB) in exploring future development directions. We firmly believe that a comprehensive review of ERB's strategic positioning is a crucial step toward setting clear objectives for the future development of local manpower training. On behalf of the HKIHRM, below please find our consolidated views:

1. Implementing Targeted Training Programmes to Nurture Local Talent

Manpower serves as the critical impetus for economic growth. Considering the challenges posed by an aging population and a declining labour force, it is imperative for Hong Kong to ensure an adequate supply of local talent with skillsets that align with employers' needs, meeting the demands of not only a knowledge-based economy, but also industries that are labour intensive oriented. Although the Industry Consultative Networks can serve one of the platforms to convey industries' manpower needs, the Institute believes that ERB can take a more proactive approach.

One of the Institute's key advocacies is tapping into the city's untapped talent pool to provide an effective solution to manpower shortage. Given the declining labour participation ratio, we suggest that ERB implement targeted mode of training to encourage and attract these talents, including young people, young-old retirees, women, and care-takers returning to the workforce. By adopting a purposeful approach in designing tailored training programmes for different segments of the labour market, ERB can better empower prospective employees from different backgrounds to acquire the skills and knowledge needed to bridge the prevailing talent gaps in the job market.



2. Consideration in Expansion of ERB Programme Offerings to University Graduates

The education level of Hong Kong's workforce has climbed significantly since the inception of ERB. To address the ever-changing needs of the business community and the employees, the Institute agrees over the need for ERB to review its position and contribution in local training. However, the expansion of its service scope requires careful consideration.

Regarding the relaxation of eligibility criteria for ERB programme offerings to include university graduates at the degree level or above, the Institute maintains that ERB's resources should be primarily focus on targeted areas that are most needed. These targets include assisting individuals in re-entering the employment market to strengthen the local talent pool, as well as providing reskilling and upskilling programmes that are in high demand. To identify the in-demand skills in the employment market, the Institute suggests that ERB may refer to the Talent List of Hong Kong, which displays the professions and talent that Hong Kong needs the most. With this background, ERB can consider only expanding these relevant training programmes to include university graduates.

3. Changing Industry Perceptions to Attract Talent

With an aging population and declining birth rates, industries are grappling with the challenge of a shortage of skilled professionals due to a lack of new entrants. To address this issue, ERB must provide diversified study pathways for new entrants. Furthermore, ERB can consider working with the industries to transform the public image of certain industries or professions, e.g. hairdressing, electrical & mechanical services. By providing young people with a clear understanding of the career progression and opportunities in these fields, ERB can enhance social acceptance and encourage them to consider these industries as viable career options.

HKIHRM advocates for the government to consider these recommendations when reviewing the future development direction of ERB. By expanding programme offerings to address emerging industry needs and enhancing industry perception, ERB can effectively contribute to skills development and ensure a diverse talent pool for Hong Kong's long-term economic growth. We believe that these initiatives will strengthen ERB's role in meeting the evolving needs of the workforce and positioning Hong Kong as a competitive and resilient hub for talent.

Yours sincerely,

Lawrence Hung
President
Hong Kong Institute of Human Resource Management