

By post and by fax at 2537 7068

19 February 2014

Secretariat of the Steering Committee on Population Policy
26/F Central Government Offices
2 Tim Mei Avenue
Tamar Hong Kong

Dear Sir/Madam

Views on the Public Engagement Exercise on Population Policy

In response to the public consultation on the captioned subject, the Hong Kong Institution of Engineers is pleased to provide herewith our views and suggestions on the subject for your consideration.

Thank you for your attention.

Yours faithfully



Ir Raymond CHAN Kin Sek
President
The Hong Kong Institution of Engineers

Enc

RC/WC

Enclosure

**Views from the Hong Kong Institution of Engineers
on Population Policy**

Introduction

The Hong Kong Institution of Engineers (HKIE) supports the Administration in drawing up a sustainable population policy to prepare Hong Kong with a well mix of manpower for our long-term development. As a professional institution with key concern on building for a better future for all people in the community, the HKIE aspires and endeavours for the healthy development of the engineering profession and construction industry in Hong Kong. We are pleased to provide the following views and suggestions on the population policy with focus on developing sustainable manpower strength for consideration of the Administration.

Blueprint for Hong Kong

2. To uphold and enhance our status of being an international hub and ensure the robustness of our economy, the HKIE believes that Hong Kong should map out a clear economic development path and direction in future, such as identifying targeted clusters/ economic sectors to pursue in long-term. Furthermore, we opine that Hong Kong should craft a long-term, well-ordered schedule for our infrastructural development, so as to lay down a solid foundation to facilitate the overall social and economic development over the long run. This is especially important when Hong Kong is determined to enhance our land and housing supply to improve the living condition and for Hong Kong to unleash its potential for further development.
3. In laying down our blueprint and realising potential for construction and economic development, the HKIE opines that Hong Kong has an urgent mission to clearly assess our needs for the types of skill sets and caliber that our manpower should possess, and reach a detailed and precise forecast for workforce supply and demand accordingly for devising corresponding measures to bridge any potential gap. Particularly for putting forward our future commitment on infrastructural projects, Hong Kong requires a whole spectrum of high quality manpower in engineering and construction industries, including professional engineers, technologists, technicians and skilled workers.
4. However, it is noted that we have been experiencing tight supply of all levels of staff in various areas. The shortage of manpower, together with the acute problem of aging workforce especially in the construction industry, would inevitably hamper our development blueprint. It is therefore imperative for Hong Kong to develop an elaborated manpower projection plan as our driving basis for the population policy for our next few decades.

Enhancing Manpower for Engineering Profession / Construction Industries

5. For the engineering profession/ construction industry being the essential pillar for our economy and future development, the HKIE strongly suggests the Administration to keep on funding our universities and other post-secondary institutions for enriching

the curriculum of engineering and construction-related studies, which ensure educating the high caliber professionals and skilled technicians in engineering/ construction fields for carrying out future infrastructure constructions. Policy should also be established to support the development, recognition and registration of personnel of supervisory level, like Associate Member of the HKIE, to provide a full spectrum of career path and workforce upward mobility from craft to supervisor to professional in order to fully develop an individual's capability regardless of their initial entry point.

6. In view of the alarming inadequacy of manpower in the construction field, the HKIE further advocates the Administration to develop measures to enhance the productivity of the construction workforce, and to formulate a clear strategy to attract new blood and retain current workforce. The HKIE suggests that the Administration should take the lead in fostering favourable employment condition for the construction industry. More initiatives on improving the working environment as well as occupational safety and health in the construction industry should be implemented by the Administration, as well as encouraging other private practitioners to follow. In order to increase the attractiveness of the construction industry among other industries, the Administration is suggested to coordinate with the practitioners in identifying feasible measures to improve the employment condition (such as launching pilot run of 5-day work week) and remuneration for workforce in the construction industry.

7. Also, the HKIE is of the view that more training funding should be allocated to enhance the productivity and work quality of our local workforce in construction industry. Attractive measures should be set up to encourage the construction workforce to pursue further skill-enhancement training and knowledge after work on part-time basis with attendance- and merit-based subsidies from Government, such as engineering/ vocational diploma/ degrees leading to supervisory and professional qualification. To prepare in advance for the possible situation at some points in future that the supply of local skilled labour might not adequately meet the demand, we are of the view that the Administration should benchmark and make reference to the measures of other countries as well as the past experience of Hong Kong (e.g. during the construction of Hong Kong International Airport in 1990s) to devise feasible labour importation in a scrutinised manner and avoid any undesirable impact to the local labour market. However, since labour import would also lead to consumption of community resources such as housing and medical services, the Administration is therefore recommended to plan prudently ahead of the overall development.

Unleashing Potential Manpower Capital

8. The HKIE believes that Hong Kong still have much potential manpower capital that would need to be well unleashed. We should take every feasible measure to attract, fully develop and retain people in the pool and strengthen our workforce. It is noted that some of the existing workforce, especially those at entry levels, are new immigrants, who entered the job market shortly after their arrival in Hong Kong. Due to their age and/or background, they might not be eligible to receive educational subsidies and language training which are essential to overcome the hurdle of their skills and their professional advancement in the longer term. To this end, the Administration could provide more part-time subsidised secondary school education and language development programmes to the working adults including the new immigrants as mentioned above, the ethnic minority groups as well as the local

construction/ skill workers who would like to have a second chance to receive fundamental education to advance themselves in fields like engineering that require good fundamental training. On the other hand, to give convenience to those potential labour force who might be tied with family responsibilities, the HKIE suggests the Administration to further promote and take the lead in implementing the “family-friendly employment practices” in workplace, such as introducing flexible working hours, providing more subsidies to working people in obtaining child care services/ elderly care services etc. The employers who have successfully implemented the “family-friendly employment practices” should be well recognised as models for other counterparts to benchmark. Meanwhile, the Administration could provide tax incentive/ subsidies for the small and medium sized enterprises to implement more similar practices for their employees.

9. Towards the youngsters, the HKIE urges the Administration to take lead in providing more vacancies for graduate, technician and apprenticeship training and internship, and encourage the private sector to follow. Especially to those young school leavers who do not pursue further studies nor joining the labour market, the Administration should provide more resources for providing counseling and follow-up services to them. Incentives should continue to be provided to facilitate employers to provide job experience for youngsters.

10. To boost labour productivity, the Administration could consider increasing the financial allowance and tax exemption to the working people in pursuing various levels of continuing studies that would facilitate advancement of skills and employability to meet the environment change. The Administration should also provide more funding to the Employees Retraining Board and other social services organisations to provide training and orientation to those who have left job market for long to prepare for re-joining the workforce.

11. The HKIE notes that in engineering profession, the experienced professional engineers, even after the retirement age, would be of very significant assets to the profession in providing consultancy service, mentoring young engineers and transferring their experience to the younger generation. We believe that the situation is similar to many other sectors and occupations. Hence, the HKIE strongly suggests the Administration to take lead in reviewing the retirement age to facilitate more capable retiring workforce to stay in employment to contribute their expertise and skill to students in secondary/ tertiary education and vocational training.

Enriching Our Manpower Pool

12. In response to the situation of low birth rate and aging population which may shrink the labour market, the Administration should benchmark other countries in enhancing the local birth rate to provide a long range input to our workforce in future generations. As a persistent gesture to encourage young couples to give birth, we believe that a package of long-term support programme should be devised to relieve the burden of the parents, especially those in employment, which ranges from providing tax incentives and allowance for tax payers in rearing children, targeting special housing incentive/ support for families with dependent children, and improving the education and medical services etc. We also welcome the Administration’s initiative to provide

paid paternity leave to the eligible government employees, and suggest the Administration to promote such practice to other private sectors.

13. Meanwhile, to compete for talents/ professionals from surrounding regions to join our workforce, including those in engineering profession, we believe that the Administration should cultivate a favourable condition and take conducive measures to attract talents/ professionals and their families to reside and work in Hong Kong. We also urge the Administration to take a more active step to collaborate with private sectors in reaching out globally to attract overseas talents to work in Hong Kong, as well as enhancing the mutual recognition of overseas professional qualifications.

Well-being for People

14. The HKIE opines that a good population policy should put no less focus on addressing the living quality and livelihood of the citizens apart from the concern on manpower. It is suggested that in increasing the workforce and supporting the aging population, the Administration should carefully study the impact of population change to our community, and long-term measures should be formulated to enhance the capacity (i.e. both hardware such as land and housing; and software such as education and welfare) of Hong Kong in accommodating the projected change. In this light, comprehensive and detailed research with consultations should be carried out to understand the societal need for the formulation of relevant policies.