



## **Hong Kong Institute of Human Resource Management (HKIHRM)**

### **APFHRM board meeting | 13 May 2024 - Singapore**

#### **Executive Summary**

Hong Kong has successfully returned to normalcy following the epidemic, with regular interactions with Mainland China and international counterparts. The economy has shown signs of recovery, with moderate growth, low unemployment rates, and mild inflation. In the first quarter of 2024, Hong Kong's real GDP grew by 2.7% compared to the previous year. The Government forecasts a growth rate of 2.5% to 3.5% in real terms for 2024.

The seasonally adjusted unemployment rate remained low at 3.0% in January to March 2024, though edging up by 0.1 percentage point from December 2023 to February 2024. The underemployment rate also saw a slight rise by 0.1 percentage point to 1.1%. While the labour force experienced a rebound of 3,100 individuals to 3,800,100, the total employment decreased by 6,300 to 3,688,400. The number of unemployed persons rose by 9,400 to a still-low level of 111,700.

In 2023, Hong Kong employees received an average pay rise of 3.8%, representing a slight increase of 0.3 percentage points compared to the previous year, as revealed by the findings from the HKIHRM's 2023 Pay Trend Survey. The survey also projected that the average pay rise for 2024 would be a weighted average of 4.1%.

Countries worldwide are focused on revitalising economic growth post-pandemic while grappling with geopolitical tensions. Attracting and retaining talent has become a universal challenge. In response, the HKSAR Government has made substantial investments to attract, develop, and retain talent.

Since late 2022, Hong Kong has implemented talent admission programmes, such as the Top Talent Pass Scheme and optimised Admission Schemes for Mainland Talents and Professionals. These initiatives have actively enriched Hong Kong's talent pool.

By April 2024, these programmes have received approximately 290,000 applications, with nearly 180,000 approved. Over 120,000 talented individuals have arrived in Hong Kong as a result. The Top Talent Pass Scheme, tailored to graduates from the world's top 100 universities, has been particularly successful. It has received around 77,000 applications, with over 61,000 approved, leading to more than 47,000 individuals settling in Hong Kong.

Under the “One Country, Two Systems” framework, Hong Kong possesses several institutional advantages, such as enjoying strong support of the Motherland and being closely connected to the world, a world-class business environment, low taxes, an international market, and a reputation as one of Asia's safest and most livable cities.

To support talented individuals, the government established Hong Kong Talent Engage in 2023. This entity assists in their long-term development and supports them to settle and contribute to the city.



Hong Kong hosted the Global Talent Summit · Hong Kong on 7-8 May 2024, its first talent-themed international forum and exhibition. As a Strategic Partner, HKIHRM facilitated discussions, shared insights, and showcased Hong Kong's commitment to HR excellence. The Summit served as a platform to attract overseas talent by highlighting Hong Kong's strengths and opportunities.



*It is with great honour that Lawrence Hung - President of HKIHRM (first from left), Andy Luk - Vice President of HKIHRM (second from left) and Peter Leung - Honorary Treasurer of HKIHRM (third from left) welcomed the Wang Xiaoping - Minister of Human Resources (first from right) during the Summit.*

Alongside the talent admission schemes, the HKSAR Government has prioritised labour policies to safeguard workers' rights. A recent announcement highlighted the relaxation of the “continuous contract” requirement under the Employment Ordinance, with a new counting unit of four-week aggregate working hours, set at a threshold of 68 hours. This entitles them to benefits such as statutory holiday pay, paid annual leave, sickness allowance, maternity and paternity leave, severance payment, and long service payment.

HKIHRM believes that expanding the scope of employees who can meet the “continuous contract” requirements will enhance their rights protection. This inclusive approach aims to promote fair treatment for part-time and temporary employees, fostering a sustainable and equitable employment environment.

The Executive Council of the HKSAR Government has recently approved significant changes to the minimum wage determination process. Moving forward, the minimum wage will be reviewed annually, taking into account the SAR's economic growth rate from the previous year and consumer prices.

This reform marks a significant milestone, as it ensures that the minimum wage remains stable and reflects the actual situation of workers. It is worth noting that there will be no reduction in the minimum wage, and any negative calculation will result in a wage freeze. As a result of this reform, the minimum wage will increase to HK\$41.80 per hour from HK\$40, benefiting approximately 17,000 low-income workers.

HKIHRM welcomes this reform, as it strikes a balance between preventing excessively low wages and minimising job losses. The HKIHRM encourages the authorities to closely monitor the implementation of this new mechanism, engage in consultations with professional bodies and stakeholders, and optimise the minimum wage mechanism to promote a prosperous shared economy.



## **HKIHRM Flagship Events**

### **HKIHRM HR Excellence Awards 2023/2024 - 8 March 2024**

#### *Fostering Excellence and Elevating Industry Benchmarks*

This esteemed event aimed to recognise organisations and individuals who achieve remarkable business success through outstanding people strategies and practices, thereby setting exemplary standards in the community and raising the professional human resource management standards.

This year's HR Excellence Awards have witnessed an unprecedented number of entries, reaching the highest level since its inception in 2012. This edition's Awards introduced 16 Organisational SubCategories. The "NGO Category" and "SME Category" were added and the "Greater Bay Area Category" was comprehensively revitalised. The "Professional Practice" and "Good Practice" awards were also introduced. These enhancements effectively acknowledge innovative talent strategies and serve as new industry benchmarks.



*Mr Francis Mok, a highly respected individual in the HR community, was honoured with the prestigious "Excellent HR Leader Award". Mr Mok has consistently shown an unwavering passion for promoting excellent HR management practices and nurturing the future generation of HR professionals. He served as the President of HKIHRM from 2010 to 2014 and the Chairman of the Asia Pacific Federation of Human Resource Management from 2010 to 2012, actively cultivating international exchanges and cooperation to enhance HR management standards in the Asia Pacific region.*

The HKIHRM HR Excellence Awards 2024/2025 are now open for entry. Click [here](#) for more information.

### **HKIHRM Annual Conference and Exhibition – 10 September 2024**

#### *Transformative HR : Strategic Pioneer for Future Workforce*

The HKIHRM Annual Conference and Exhibition is a top-notch people management event in the region that attracts leading HR directors and professionals in town. It serves as an exceptional platform for thought leaders to exchange views and deliberate on the pressing people management issues and trends.

With the theme "Transformative HR: Strategic Pioneer for Future Workforce", the Annual Conference and Exhibition 2024 delves into the transformative role of HR in shaping the workforce of the future. This Conference highlights the pivotal role of HR in driving organisational success through the strategic application of AI, kindness in leadership, talent reshaping, leveraging diverse experience, and integrating sustainability into talent management. Attendees can anticipate thought-provoking discussions, engaging practical sessions, and presentations from pioneering HR service providers that empower and guide them in navigating the challenges and dynamics of the future workforce.

Click [here](#) for more information.



## **HKIHRM Pay Trend & Benefits Seminar – 17 October 2024**

*The Power of a Well-Designed Compensation Strategy: Evolving Future Workforce*

Compensation and benefits play a crucial role in enhancing employees' mental well-being and retaining top talent.

During the seminar, the key findings of the latest pay trend survey results for Hong Kong and the Greater Bay Area conducted by the HKIHRM will be announced. This enables companies to gain a comprehensive understanding of their own standing and competitors, empowering them to enhance their competitiveness in the market.

Additionally, esteemed speakers will provide expert perspectives on significant topics, including the macroeconomic outlook, talent acquisition strategies, and regional mobility trends. These insights will equip companies with the knowledge and tools needed to attract and retain talented individuals in a dynamic and evolving business landscape.

Click [here](#) for more information.