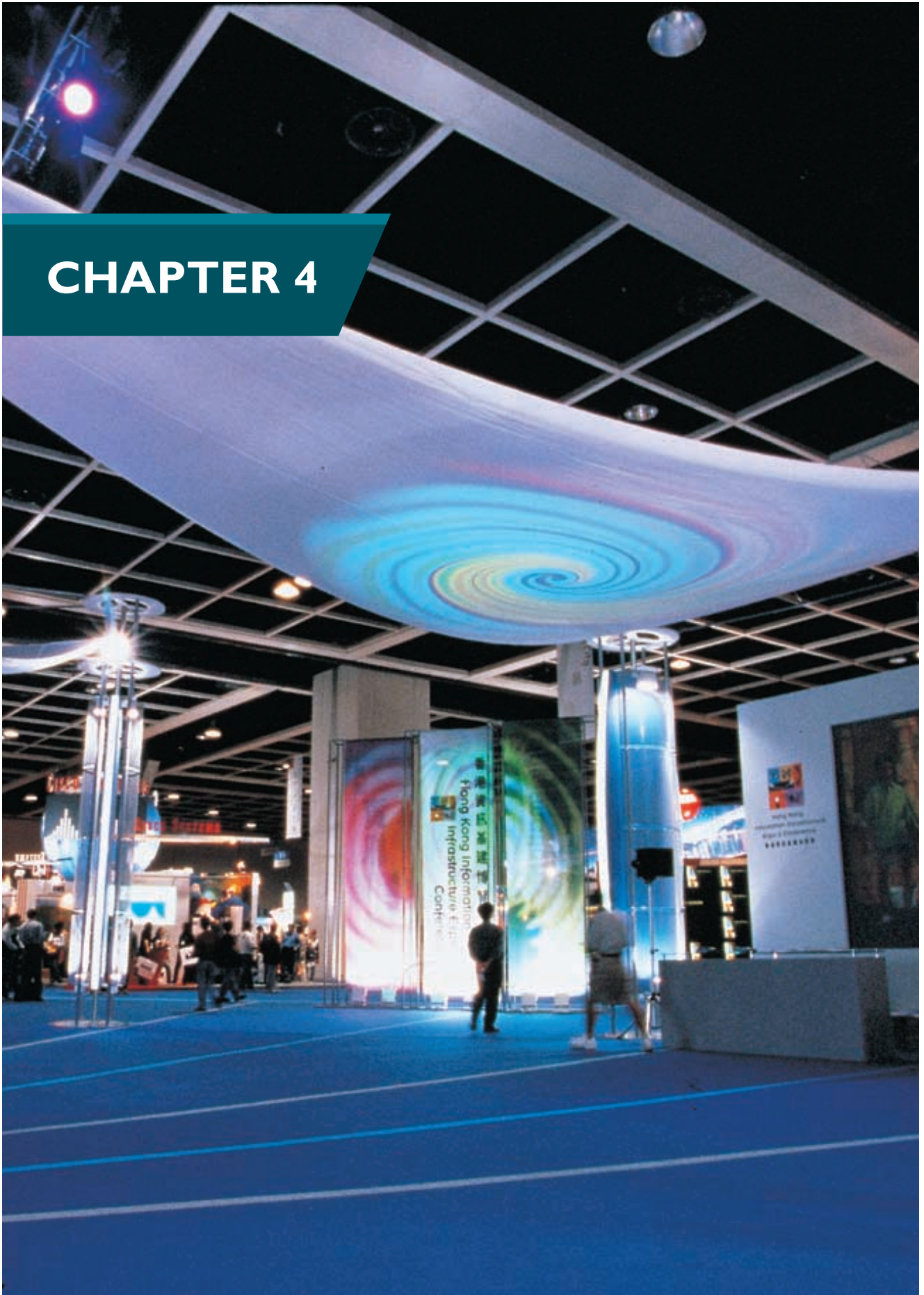


CHAPTER 4

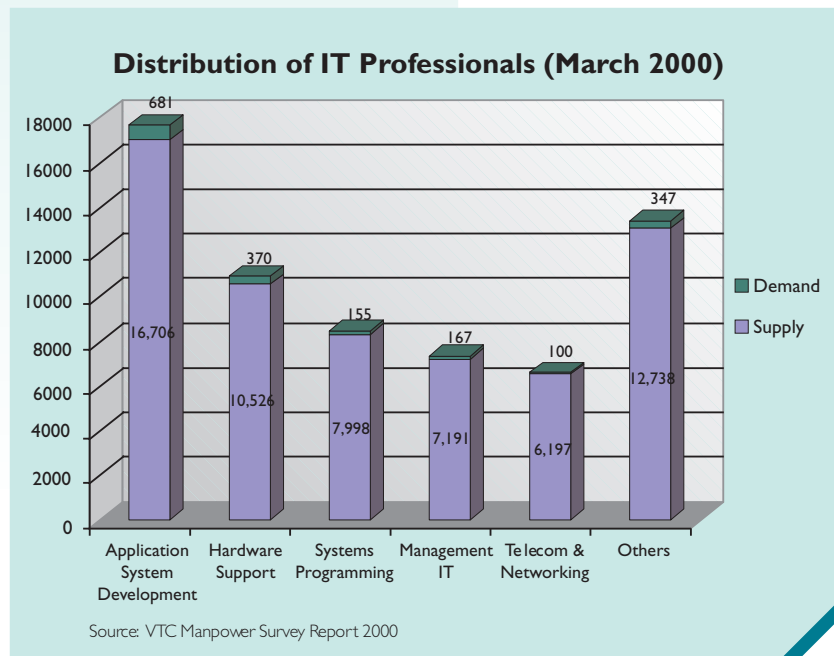




CHAPTER 4 - IT MANPOWER DEMAND

IT Manpower Situation

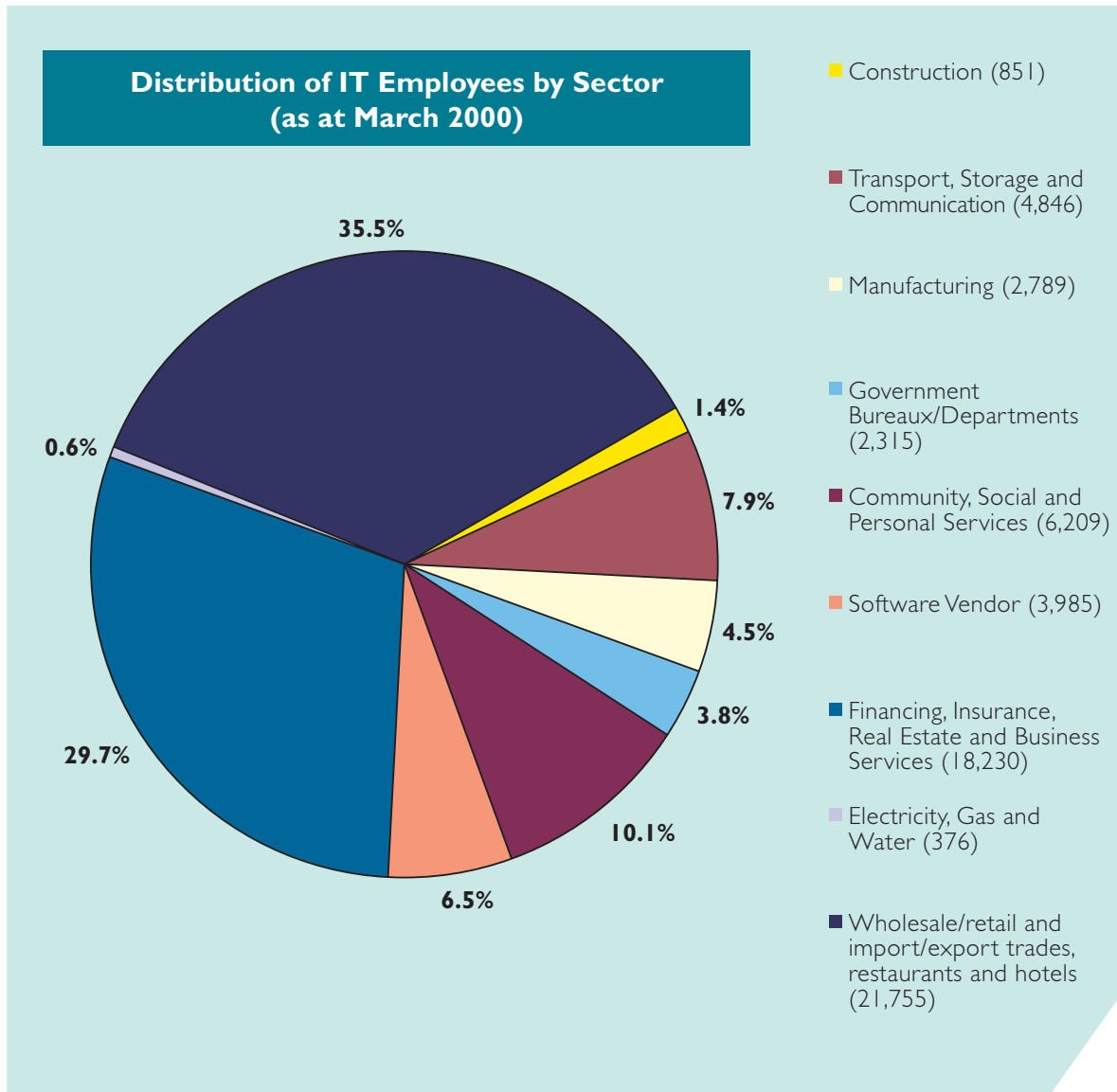
The rapid development of the information economy has led to an increasing global demand for skilled IT manpower supply. This applies not only to the IT industry but also to all sectors of the economy. Based on the VTC's Manpower Survey Report 2000 in respect of the IT sector, it was estimated that in Hong Kong, as at March 2000, over **61,000 persons** were engaged in **IT-related work**. About 80% of them were engaged either in the areas of application systems development, hardware support, systems programming, IT management or telecommunications and networking. For IT management and application systems development work, most employers offered an average annual remuneration package (covering basic salary, bonus/commission, housing allowance/benefit, and other regular allowance) from over HK\$240,000 to HK\$600,000 (US\$ 31,000 – 77,000). Those with three or more years of experience in IT management, application systems development and database work are in most demand. At the time of the survey, the estimated number of vacancies was 1,800, or about 3% of the IT workforce.



Note: 'Others' refers to the 20.8% or 12,738 of the total number of IT professionals involved in systems operations, IT education and training, Internet/multimedia/content development, database and IT research.



The distribution of IT employees by sector as at March 2000 is as follows :





Forecasts indicate that **demand for IT personnel** will continue to grow through the year 2005. Based on the Report on Manpower Projection to 2005 commissioned by the Government, the overall demand for IT personnel will **grow** at an annual rate of **11.8%** from 50,000 in 1999 to about **98,000 in 2005**. The average annual increase is around 8,000. The IT manpower requirement by industry sector is set out in Annex E. The demand will be greatest in the sector of **financing, insurance, real estate** and **business services** as well as the sector of **wholesale, retail** and **import/export trades, restaurants** and **hotels**.

Based on the VTC Manpower Survey Report 2000, the number of IT personnel in the market is forecast to increase from around 61,000 in the year 2000 to some 106,000 in the year 2004. The average annual increase is about 11,000. Around 55% of the new entrants should be at degree level or above while the remainder should be at higher diploma/higher certificate/diploma/certificate level to serve the needs of the market.

These two surveys form the basis of our forecast for IT manpower demand in Hong Kong, i.e. Hong Kong needs 8,000-11,000 IT personnel each year. It is clear that, in both immediate and longer terms, Hong Kong needs to adopt appropriate measures to meet the demand for IT manpower supply. Our future as a leading digital city, a major player in the information economy, hangs in the balance. What is at stake is our future economic growth. Only a skilled IT workforce will be able to maintain and enhance the overall competitiveness of Hong Kong in the global information economy.