

VOCATIONAL TRAINING COUNCIL

EXECUTIVE SUMMARY

Introduction

1. The Security Services Training Board of the Vocational Training Council was set up by the HKSAR Government in 1998 to be responsible for determining the manpower situation and training needs in the security services industry. The Training Board conducted its fourth manpower survey in May 2005 covering the 3 branches of the security services industry, viz. the Security Guarding Services, the Armoured Transportation Services and the Installation/Maintenance/Repair/Design of Security Systems.

2. **Section I** of this report will give an introduction to the survey including the purpose, scope, methodology and analysis of the response and the manpower assessment procedure. A summary of the survey findings is presented in **Section II**, the conclusions and recommendations of the Training Board are set out in **Section III** and **Section IV** respectively.

Industry Outlook

3. With the gradual recovery of the economy and the completion of new buildings in the years ahead, the Training Board believes that there will still be a steady growth in the security services manpower. The employment situation has improved recently and the unemployment rate has dropped to 5.7% in the second quarter of 2005. The Training Board expects that more security guards may change their jobs within or outside the industry as more job opportunities are available. There will be substantial training demands for both in-service security services personnel and new entrants.

4. The existing law requires all new entrants into security work to obtain the security personnel permit (SPP) before they can be engaged. Security companies are also required to provide 16 hours' training to the security employees before they can start to work. As in May 2005, over 253 000 permits were issued. The Training Board observes that the high turnover of over 30 000 security guards per year will continue to require the Commissioner of Police to issue new permits, because many of these permit holders might have either left the industry to join other sectors or retired without cancelling their permits. This explains the reason for the increase in training places, and the variance between the number of security guards employed and the number of permits issued.

5. The scaling down of public security services has created more business opportunities for the private sector. This shift has also resulted in the demand for new skills and training. The outbreak of SARS in 2003 and the possible threat of the avian flu had also created a need for crisis handling training for security services employees.

6. In the years ahead, the Training Board anticipates that the future development of the West Kowloon Cultural District and the extension of tourism related projects such as the Disneyland, can help stimulate the growth of the security services industry.

Manpower Situation

7. The survey reveals that during the survey period, there were 98 041 employees in the security services industry, including 90 922 employees employed by licensed security companies, 6 606 by the Owners Corporations and 513 by the supplementary sampled establishments. The data on the manpower, vacancies and forecast growth by job level are summarized as follows:

<u>Job Level</u>	<u>No. of Employees in May 2003</u>	<u>No. of Employees in May 2005</u> (%)#	<u>No. of Vacancies in May 2005</u>	<u>Employers' Forecast of Manpower Growth</u>	<u>Forecast No. of Posts in May 2006</u> (%)*
Managerial/ Professional	1 616	2 188 (+35.4)	13	-5	2 196 (-0.2)
Supervisory/ Technician	9 448	12 551 (+32.8)	133	83	12 767 (0.7)
Security Guard	79 334	83 301 (+5)	1 239	-146	84 395 (-0.2)
Total	76 082	98 041	1 385	-68	99 358 (-0.1)**

(%)# As percentage of increase/decrease in the number of employees as against 2003

(%)* As percentage of the number of posts at the job level

(%)** As percentage of the total number of the posts in the industry

Manpower Projection for 2006 to 2008

8. The Training Board has adopted the Labour Market Analysis (LMA) approach to project the manpower of the industry in the next three years as follows (Detail of the projection methodology is presented in **Appendix 16.**):

Year	Actual Manpower	Employers' Forecast (at the time of the survey)	Projected Manpower
2005	99 426	-	-
2006F	-	99 358 (-0.1%)	100 519 (1.1%)*
2007F	-	-	101 524 (1.0%)**
2008F	-	-	102 539 (1.0%)***

* as percentage increase / decrease of the projected manpower over the actual manpower in 2005

** as percentage increase / decrease of the projected manpower over the projection of 2006

*** as percentage increase / decrease of the projected manpower over the projection of 2007

Turnover in the Past 12 Months

9. The Training Board observes that there is consistently a high turnover of security services personnel in the past few years, with 30 893 employees leaving in the past 12 months. Of these employees, the security guard level has the highest turnover of 28 489 employees leaving (or 33.7% of the number of posts) and 31 594 joining as new recruits.

Additional Manpower Requirements in May 2006

10. Based on employers' plans on the provision of training to their employees in the next 12 months and the wastage of the industry, the Training Board projects that the additional annual manpower requirements will be 3 207 employees in 2006.

Training Needs

11. The survey reveals that employers will subsidize 20 519 employees for external training in the next 12 months. Among the 20 519 external training places, 4 458 (or 21.7%) will be for security training and 13 666 (or 66.6%) will be for other types of training.

Recommendations

12. The Training Board makes the following recommendations:

- (i) To continue to support the Skills Upgrading Scheme of the Education and Manpower Bureau and recommend training institutions, trade associations and employers with training facilities to offer more suitable courses to meet the training needs of the existing workforce;
- (ii) To support continuous development of security guards personnel, including the introduction of a refresher training course;
- (iii) To continue to organize trade test for security guards and develop trade tests for other categories of the security services personnel;
- (iv) To develop criteria to help monitor the standard and quality of trainers;
- (v) To support the development of a qualifications framework to ensure a uniform standard for different levels of security services personnel;
- (vi) To promote courses, trade test and other training activities of the Training Board through Internet, seminars, talks, publications, direct mailing, advertisements and industrial visits; and
- (vii) To conduct the manpower survey once every two years to assess the manpower demand and supply in this industry.