

The 2004 Manpower Survey Report
of the Banking and Finance Industry

Executive Summary

Objective

1. In November/December 2004, the Banking and Finance Industry Training Board conducted a survey to collect the latest manpower information of the banking and finance industry with a view to determining the current and future manpower requirements of the industry and making recommendations to meet the demands.

Scope of the Survey

2. Based on the advice of the Census and Statistics Department (C&SD), the Training Board had decided on the sampling frame to cover all banking and financial institutions in the industry. Using the stratified random sampling method, a sample of 1 023 establishments was subsequently selected from the central register maintained by the C&SD.

3. The survey covered samples in the following nine branches:

- (i) 128 licensed banks, restricted licence banks and local representative offices of foreign banks;
- (ii) 30 deposit-taking companies;
- (iii) 261 investment and holding companies;
- (iv) 60 personal loans, mortgages, instalment credits, finance leasing, factoring and bill discounting companies;
- (v) 191 stock and share companies;
- (vi) 47 commodity futures and gold bullion brokers/dealers;
- (vii) 5 stock, bullion and commodity exchanges and statutory bodies in the banking and finance industry;
- (viii) 85 money changers and foreign exchange brokers/dealers; and
- (ix) 216 other financial companies.

Data collected from these 1 023 selected establishments (samples) have been processed by the C&SD and statistically projected (except for (vii) above, i.e. the 5 establishments in the branch of stock, bullion and commodity exchanges and statutory bodies in the banking and finance industry whose figures were actual manpower statistics without projection) to reflect the overall picture of the manpower situation of the whole banking and finance industry.

Total Labour Demand

4. The survey reveals that during the survey period, the banking and finance industry employed 103 964 persons, of which 72 121 (69.4%) were in the banking sector, 1 192 (1.1%) in the deposit-taking companies (DTC) sector, 10 166 (9.8%) in the securities sector and 20 485 (19.7%) in the other financial sectors. The industry had 1 430 vacancies (or 1.4% of the total labour demand) at the time of the survey. Employers forecast an increase in manpower of 195 employees (or 0.2% of the total labour demand in December 2004) by December 2005.

Labour Demand in the Banking Sector

5. Of the 72 121 persons in the banking sector, there were 14 407 (20.0%) managers, 23 016 (31.9%) supervisors, 30 178 (41.8%) clerks and 4 520 (6.3%) other supporting staff members. This sector had 866 vacancies (or 60.5% of the total number of vacancies in the industry) during the survey period. Employers forecast a decrease of 89 (or -0.1%) in manpower by December 2005.

Labour Demand in the DTC Sector

6. The DTC sector employed 1 192 persons, including 295 (24.7%) managers, 356 (29.9%) supervisors, 499 (41.9%) clerks and 42 (3.5%) other supporting staff members. This sector recorded 10 vacancies (or 0.7% of the total number of vacancies in the industry) and employers forecast a manpower increase of 24 employees (or 2.0%) by December 2005.

Labour Demand in the Securities Sector

7. The securities sector employed 10 166 persons, of which there were 2 428 (23.9%) managers, 3 048 (30.0%) supervisors, 4 152 (40.8%) clerks, and 538 (5.3%) other supporting staff members. This sector had 97 vacancies (or 6.8% of the total number of vacancies in the industry) and employers forecast a manpower decrease of 26 employees (or -0.3%) by December 2005.

Labour Demand in the Other Financial Sectors

8. The other financial sectors employed 20 485 persons, of which there were 6 748 (33.0%) managers, 6 581 (32.1%) supervisors, 5 254 (25.6%) clerks, and 1 902 (9.3%) other supporting staff members. This sector had 457 vacancies (or 32.0% of the total number of vacancies in the industry) at the time of the survey and employers forecast an increase of 286 employees (or 1.4%) by December 2005.

9. Figures 1 to 3 show the manpower structure and the distribution of employees by sector and by job level.

Figure 1: Distribution of Employees by Sector

Total Employees: 103 964

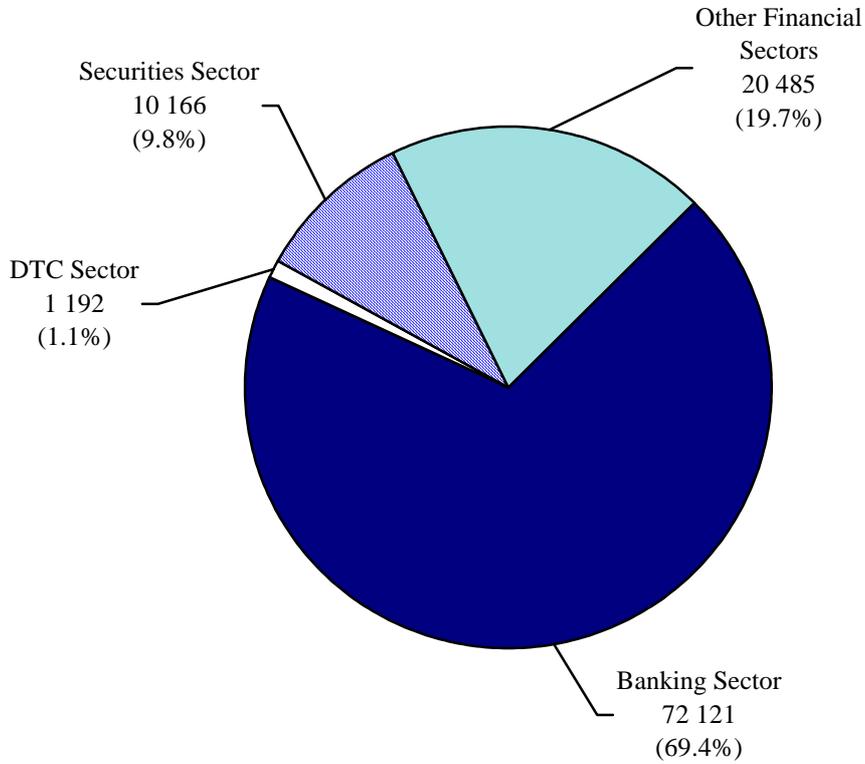


Figure 2: Distribution of Employees by Job Level

Total Employees: 103 964

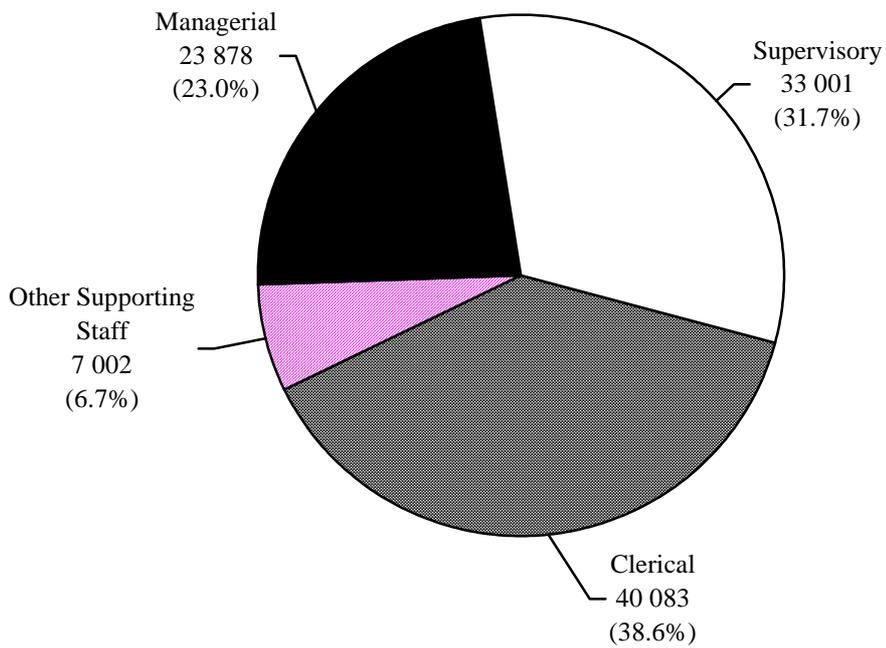
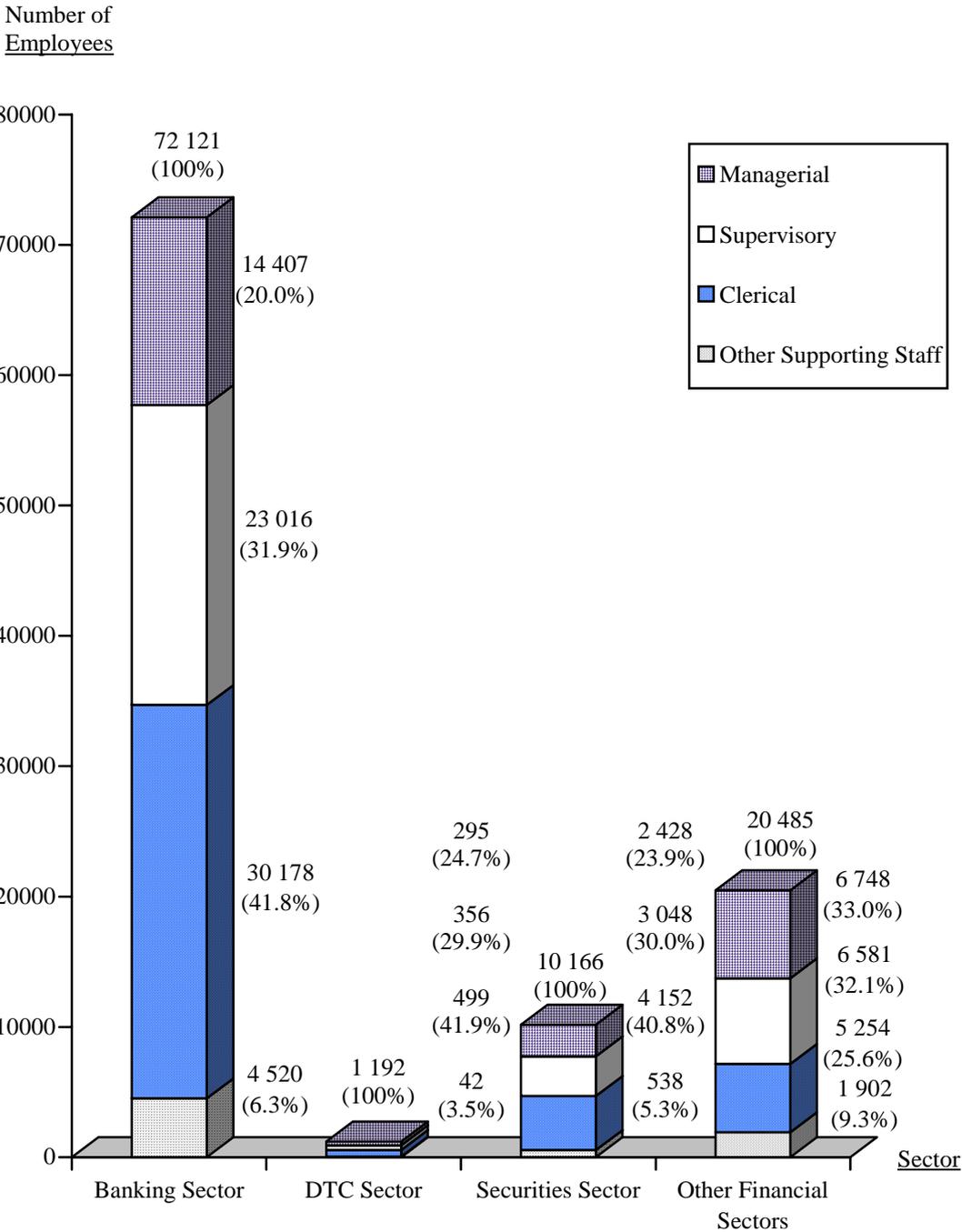


Figure 3: Distribution of Employees by Sector and by Job Level



Provision of Training

10. The survey reveals that 116 288 in-house training places and 19 210 external training places organized by professional bodies, educational and training institutions were provided to employees in the banking and finance industry.

Minimum Education/Qualification Requirement of Employees

11. Generally speaking, the majority of employers preferred their employees at managerial and supervisory levels to have university degrees and/or professional qualifications. For the clerical staff, matriculation and secondary 5 were the minimum education requirements.

Employees' Minimum Requirement on Year(s) of Experience in the Industry

12. Most of the employers preferred their employees at managerial and supervisory levels to have longer working experience in the industry (e.g. 5 years to over 10 years). As for clerical staff, the minimum working experience requirement was from less than 1 year to 4 years.

Recommendations

13. The Training Board recommends that manpower surveys should continue to be conducted once every 2 years to assess the manpower requirements and training needs of the banking and finance industry.

14. The Training Board recommends that banking and financial institutions should invest more resources in staff training by either organizing in-house training courses for staff members or sponsoring them to participate in various training courses provided by external course providers.

15. After taking into consideration the business prospect of the industry, the manpower projected by the Labour Market Analysis Approach and the wastage rate for various job levels in each sector, the Training Board recommends that the total training requirements for 2005 be as follows:

<u>Job Level</u>	<u>Recommended Total Training Requirements for 2005</u>
Managerial	25 452
Supervisory	35 237
Clerical	43 438
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Total	104 127
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16. Among the 104 127 people working in the industry, new recruits who lack the experience need comprehensive training from generic skills to specific job skills. For those in-service employees, training programmes for job knowledge updating and job skills upgrading are required.

17. The Training Board recommends that the educational/training institutions should develop training programmes to help train up and upgrade the quality of the manpower in the industry. They should help the banking and finance personnel obtain professional or academic qualifications e.g. professional programmes in financial planning, financial analysis, asset management, risk management, credit analysis and control, etc. In addition, training programmes to help practitioners to meet the licensing requirements imposed by various regulatory bodies in the industry should also be provided.