25 August 2026

Dear Members,

In the final message in our recap on AustCham's Response to the HKSAR's First Five-Year Plan Consultation and Chief Executive's Policy Address submission, I want to turn to the issue that sits underneath almost every competitiveness question: people.

Capital can move, policy can be copied, and infrastructure can be built. What is much harder to create, and much easier to lose, is a deep pool of skilled people who choose to build their careers and lives in a city.

Why it matters: Hong Kong is competing not only on tax, regulation and market access, but on whether people can build careers here, families can settle here, and companies can get things done. For members, these issues show up in very practical ways: how long it takes to hire, whether professional qualifications are recognised, whether school places are available, whether graduates can build the right skills, and whether Hong Kong feels easy to operate from day to day.

Talent attraction matters, but retention matters just as much. A visa may get someone to Hong Kong but the lived experience of the first two or three years often determines whether they stay.

Recent survey data underlines how quickly work is changing. A HKUST study found that 72.7% of Hong Kong professionals surveyed use AI tools at work daily or weekly, more than double the global average cited in the study. But more than half of junior employees worry AI could reduce the value of their existing skills, and around 40% feel less secure in their jobs. Talent policy, graduate development and AI adoption now need to be treated together.

What we recommend: Hong Kong should make it easier for experienced professionals from trusted jurisdictions to work here, without asking them to repeat entry-level assessments designed for new graduates. People with at least 10 years of verified experience and clean regulatory records should be assessed on the Hong Kong-specific knowledge they need, while recognising the professional competence they have already demonstrated.

We have also recommended more practical support for people and families arriving in Hong Kong. That could include clearer visibility on school places, support for spouses looking for work, housing guidance and industry mentoring for new arrivals. These may sound like everyday issues, but they are competitiveness issues. Families stay when the systems around them work.

Education is central to that proposition. AustCham has recommended a stronger Australia-Hong Kong education partnership covering qualification recognition, joint degrees, student exchange, research collaboration and industry-backed postgraduate programmes in areas such as transition finance, infrastructure delivery and AI governance. We have also called for additional international school capacity, including consideration of an additional Australian International School of Hong Kong campus and land allocation in the Northern Metropolis.

The same practical approach should apply to healthcare, life sciences and AI. AustCham has recommended faster pathways for suitable health and medical products already approved by Australia's Therapeutic Goods Administration. We have also recommended stronger collaboration on precision medicine and digital health, and a clearer pathway to help responsible AI applications move from testing into real-world use. For graduates, this should be matched with certified AI training and mentorship, so AI strengthens early-career development rather than undermining it.

The Northern Metropolis should be part of this people and productivity agenda. Done well, it can become a major platform for Hong Kong's next stage of growth, anchored in technology, healthcare and life sciences, AI, advanced manufacturing and high-end professional services. To attract capital and talent, it must be liveable and investable from the outset, with schools, healthcare, recreation, transport links, clear governance, transparent land availability and a development roadmap to at least 2040. AustCham saw this opportunity first-hand last week, when our Construction, Property and Infrastructure Committee led a delegation of 60 members and guests to the Hong Kong-Shenzhen Innovation and Technology Park.

Delivery will determine whether strategy becomes confidence. AustCham's submission also addresses SME access to the Australia-Hong Kong Free Trade Agreement, SME financing, dispute resolution, event and restaurant licensing, tourism, sport and urban renewal. These issues may not always dominate headlines, but they shape whether companies find Hong Kong easy to use as a platform for growth, and whether people see Hong Kong as a place to stay.

Sport is a good example. New government analysis shows that Hong Kong's sports sector and related activities generated HK$46 billion in value added in 2024, equal to 1.5% of the city's total value added at basic prices. That was the year of Hong Kong's best-ever Olympic performance, with two gold and two bronze medals at the Paris Games. It is a reminder that sport is not only about events or community life. It is also part of Hong Kong's visitor economy, health agenda, talent proposition and international brand.

This is the final message in our short recap of our submission, but not the end of the Chamber's work. The next phase is about evidence, engagement and follow-through.

If one of these issues is affecting your business, please tell us. A specific example of a hiring barrier, accreditation delay, school constraint, licensing issue, investment obstacle or regulatory friction is often more powerful than another policy paper. Thank you to all members who contributed to the submission. Your insight is what gives the Chamber's advocacy credibility, and it will be even more important in the next stage.

Warm regards,
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