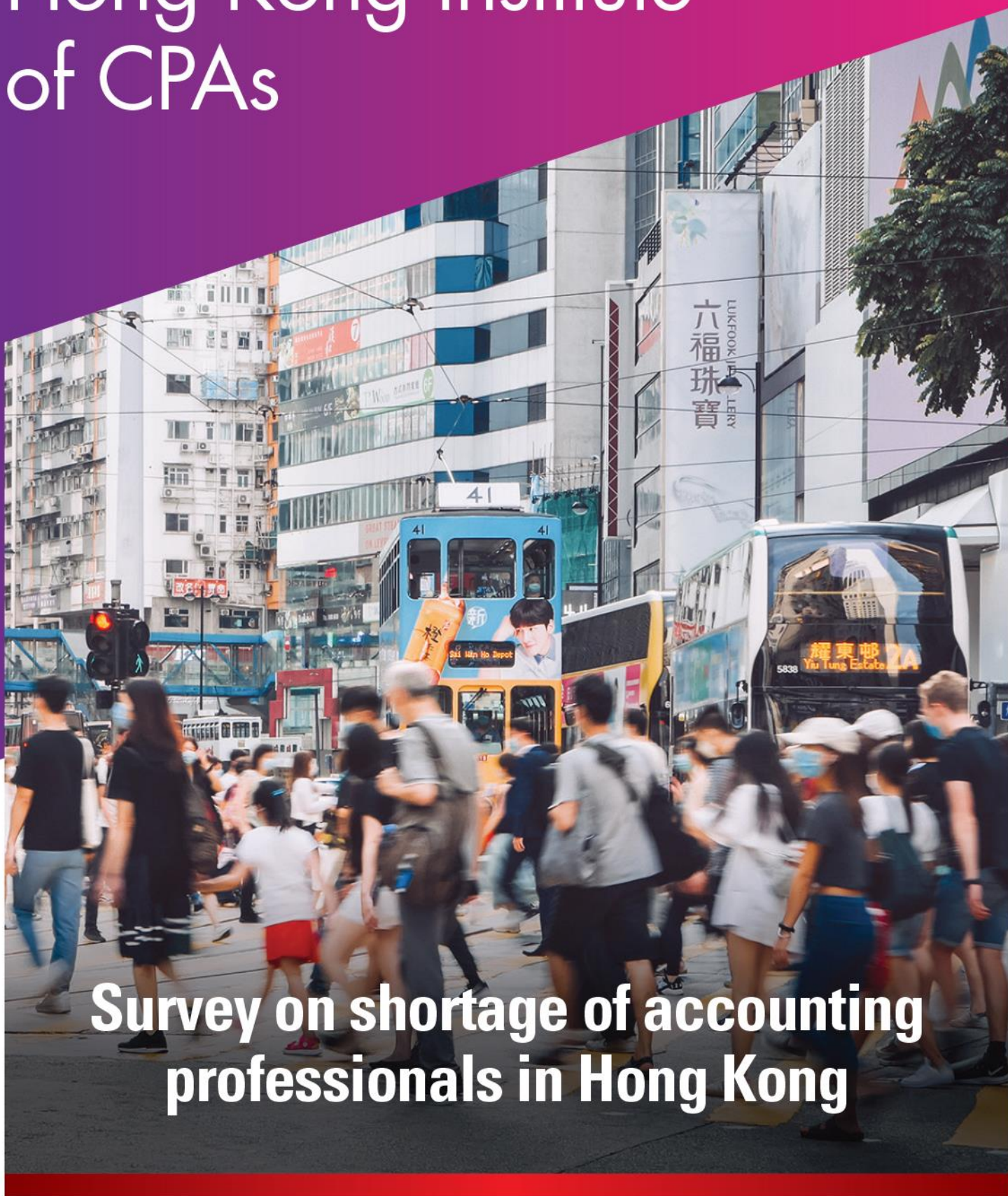


# Hong Kong Institute of CPAs



## Survey on shortage of accounting professionals in Hong Kong



Hong Kong Institute of  
Certified Public Accountants  
香港會計師公會

The Hong Kong Institute of Certified Public Accountants is the only body authorized by law to register certified public accountants. The Institute has more than 47,800 members and more than 12,600 students. Members of the Institute are entitled to the description "certified public accountant" and to the designation CPA.

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## ***Message from the President***

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To thoroughly investigate the prevailing talent shortage within the accounting profession in Hong Kong, the Institute undertook a dedicated survey spanning November to December 2023. This comprehensive survey was shared with the entire membership of the Institute, with the aim of gaining valuable insights into the crux of the issues, and to comprehend the underlying challenges associated with attracting and retaining accounting professionals. The findings would serve as a foundation for understanding the dynamics of talent acquisition within the industry and drive potential solutions and support measures that could assist in alleviating the staffing challenges.

For the Institute, supporting the profession and our members' growth is one of our key tasks. Leveraging these findings, the Institute proposes three measures to mitigate the staffing shortage in the accounting profession and foster its sustainable growth in Hong Kong. Firstly, we recommend the inclusion of the accounting profession in the Hong Kong SAR Government's Talent List, enabling recruitment facilitation under various government schemes. Secondly, we propose several initiatives to attract more talents from the Greater Bay Area (GBA), including expanding the scope of the Immigration Arrangements for Non-local Graduates scheme (IANG) to cover the Institute's accredited programmes and offering subsidies for Mainland China students pursuing the Institute's Qualification Programme (QP).

The Institute is dedicated to providing comprehensive support to its members throughout their professional journey. The proposed measures, combined with the existing support initiatives provided by the Institute, aim to address the staffing shortage and foster a strong talent pool for the accounting industry in Hong Kong.

Shouldering the statutory responsibility of developing the accounting profession of Hong Kong, the Institute has undertaken various initiatives to support talent attraction within the accounting industry. These initiatives include the Experiential Business Learning Programme, which aims to develop a talent pipeline for small and medium practices and groom future talents for the accounting profession. The HKICPA Source is an online portal that provides accounting related career opportunities. Another valuable resource is the Employer Toolkit - Accounting+, which helps employers attract and retain talent by communicating the employee value proposition and addressing misconceptions about the profession. The Institute also collaborates with secondary schools and tertiary institutions with enhanced efforts to promote the important role of the accounting profession for Hong Kong economy and its development as an international financial centre. These initiatives underscore the Institute's commitment to supporting its members and promoting the long-term value of the accounting profession.

We believe that through collaboration among the Institute, government authorities, our dedicated members, and stakeholders, we can ensure the long-term growth and success of the accounting profession, and ultimately, help safeguard the integrity and sustainable development of Hong Kong as an international financial centre.

**Roy Leung FCPA (practising)**  
**Institute President**

## ***Introduction***

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The accounting profession in Hong Kong continues to play a pivotal role in safeguarding the integrity of the financial system, contributing to its stability and growth. However, the accounting industry is currently grappling with a substantial challenge in the attraction and retention of skilled professionals, a phenomenon that is not unique to the profession but prevalent across various industries.

To address this issue, in November and December, the Institute invited all members, including both professional accountants in practice (PAIPs) and professional accountants in business (PAIBs), to participate in a survey. The primary objective was to gain valuable insights into the existing talent shortage within the accounting profession in Hong Kong, to understand the specific challenges faced in attracting and retaining accounting professionals, as well as explore potential solutions and support measures to attract talent.

These are some of the highlights of the survey:

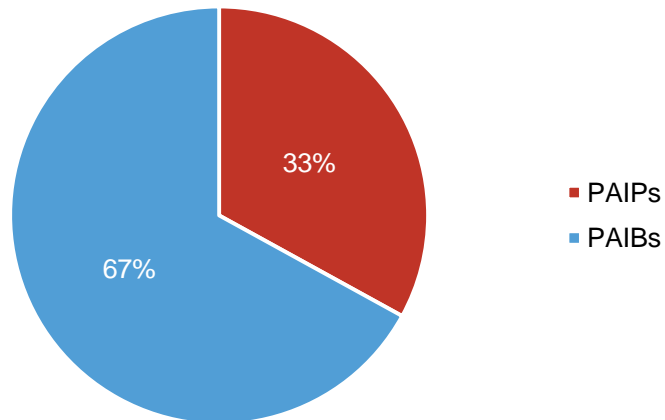
- i. Impact of talent shortage: 61% of the respondents ranked the extent of impact at 7 or above (where 1 represents no impact and 10 indicates severe adverse effects); with 25% of them indicating a rating of 9 or above. These findings underscore the substantial impact of the talent shortage issue.
- ii. Vacancy rate: Approximately one third (32%) of the respondents stated that their companies or organizations currently have a vacancy rate of over 10% for accounting and finance-related positions. Twelve percent of the respondents reported a vacancy rate of over 30%. Among PAIPs, 10% of them have a vacancy rate of over 50%, highlighting the magnitude of the talent shortage challenge.
- iii. Recruitment process: Around 23% of the respondents took at least 7 months or above to fill the accounting and finance-related positions. Among PAIPs, 28% took over 1 year to fill the positions, indicating the difficulties in recruitment. In specific, 62% of PAIPs revealed that the recruitment of junior-level staff posed the greatest difficulty to them.
- iv. Utilization of existing talent schemes: 42% of the respondents had applied for the Quality Migrant Admission Scheme (QMAS), the Admission Scheme for Mainland Talents and Professionals (ASMTTP) or the General Employment Policy (GEP). Approximately one third of the respondents applied for the IANG.
- v. Potential measures to improve the schemes: 66% of the respondents agreed that including the accounting profession in the Talent List would help attract accounting professionals. 73% of respondents acknowledged that students from the GBA constitute a readily accessible talent pool and 81% supported expanding the scope of IANG to include the Institute's accredited programmes in the GBA. While over 60% of respondents expressed support for providing subsidies to Mainland China students pursuing the QP as an effective means to attract talent, some respondents expressed concerns regarding fairness to the local students.

## ***Profile of respondents***

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The respondents can be categorized into two groups, where 67% are PAIBs and 33% are PAIPs. This breakdown aligns with the membership distribution within the Institute.

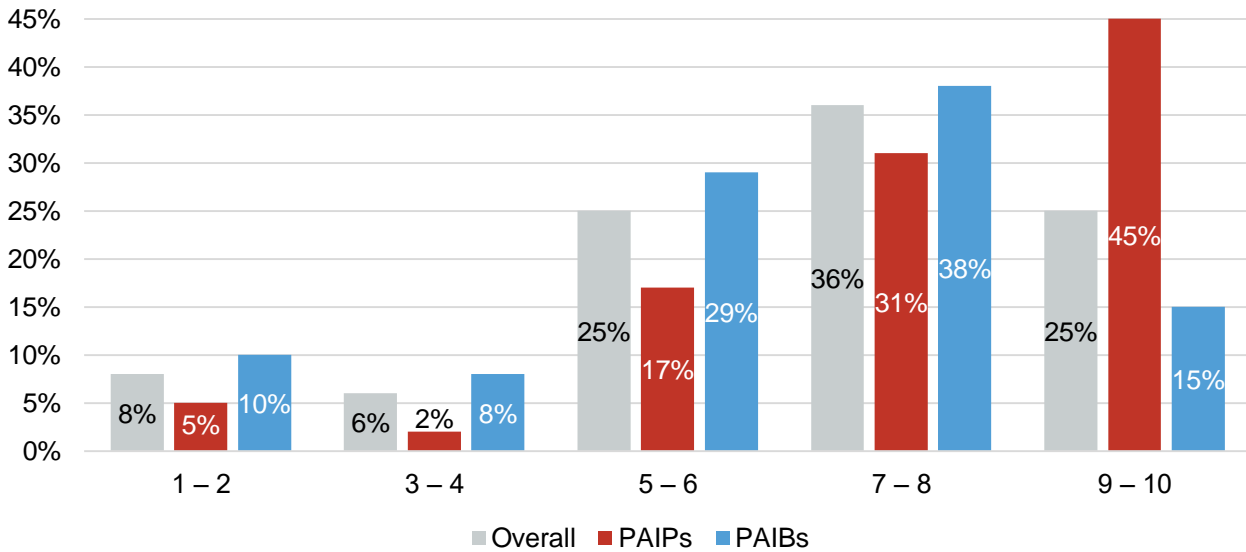
Profile of respondents



## Current state of talent shortage within the accounting profession

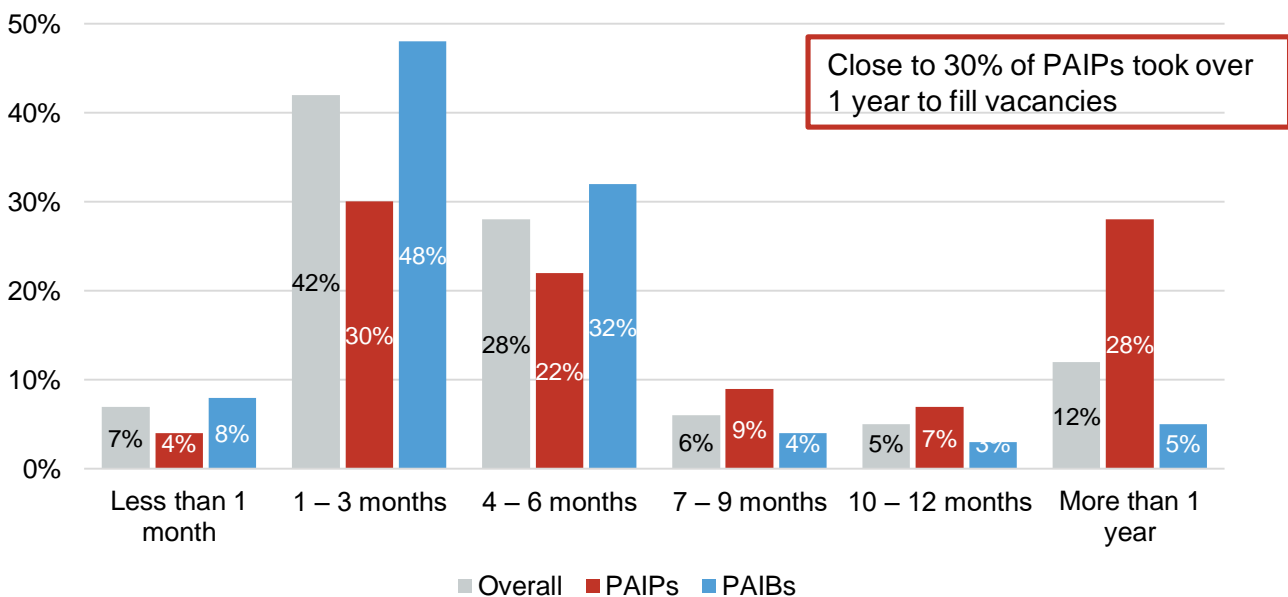
The survey highlighted the significant impact of the issue, revealing that a majority of respondents rated the extent of impact of talent shortage at 7 or above. For PAIPs, close to 30% of respondents rated the severity at 10, which is further supported by the vacancy rates observed by respondents.

Extent of talent shortage issue impacts the accounting industry



Approximately one third (32%) of the respondents stated that their companies or organizations currently have a vacancy rate of over 10% for accounting and finance-related positions, with nearly 20% stating a vacancy rate of 21% or above. PAIPs were observed to have a higher vacancy rate. On average, it has taken one to three months to fill each vacancy for most PAIPs and PAIBs.

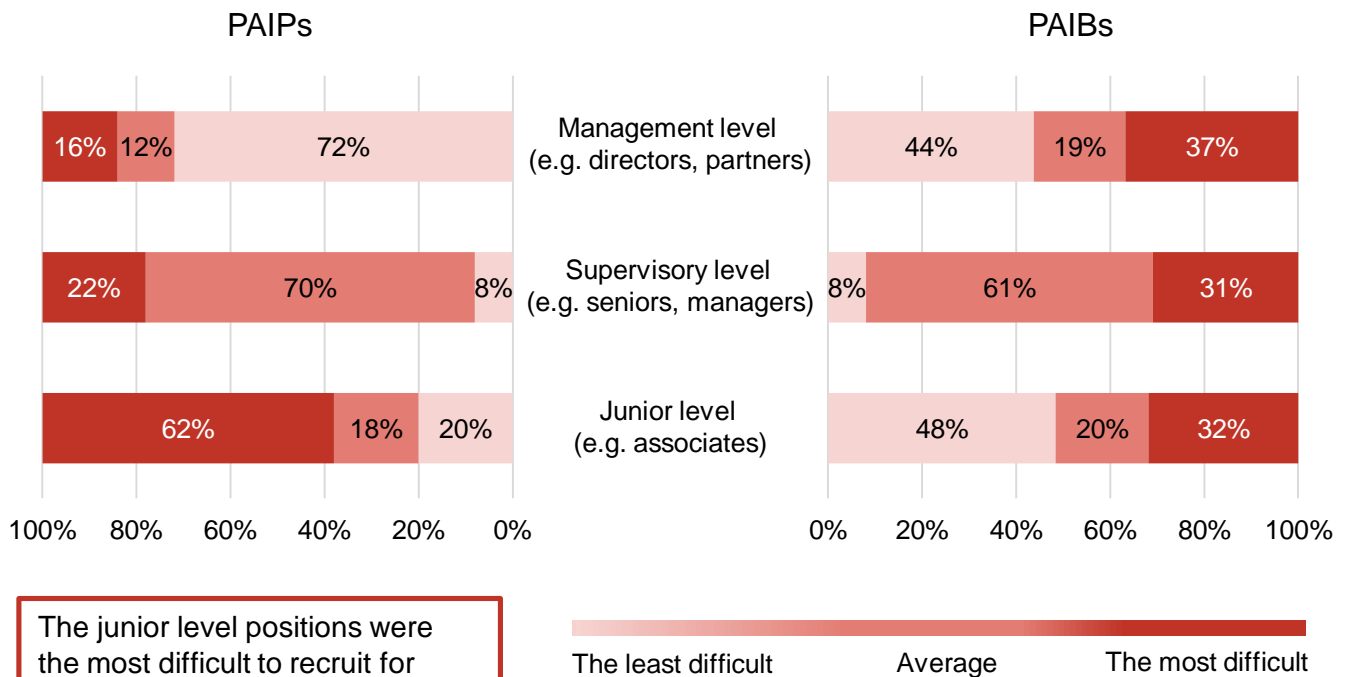
Average period to fill vacancies



## Current state of talent shortage within the accounting profession (cont'd)

Over 60% of PAIPs indicated that junior level positions have been the most difficult to recruit. The level of difficulty in recruiting junior / supervisor / management positions has generally been found to be average in the PAIB sector.

Level of difficulty in recruiting different positions



The junior level positions were the most difficult to recruit for PAIPs.



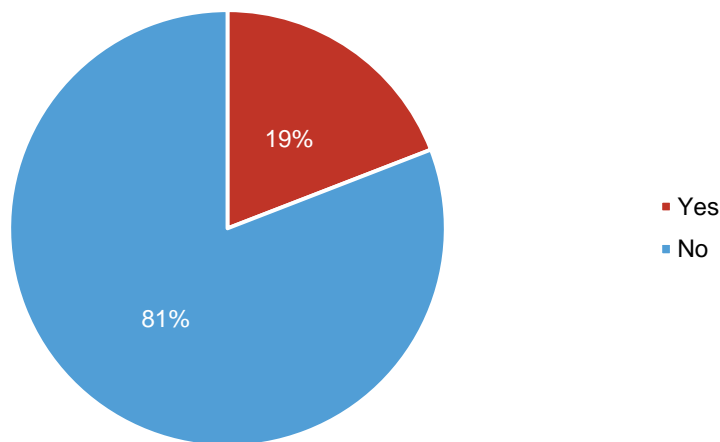
## Understanding of HKSAR Government's talent admission schemes

The HKSAR Government has launched various talent admission schemes / entry arrangements to attract talent and drive Hong Kong's economy, including:

- [Top Talent Pass Scheme](#) (TTPS);
- [General Employment Policy](#) (GEP);
- [Admission Scheme for Mainland Talents and Professionals](#) (ASMTP);
- [Immigration Arrangements for Non-local Graduates](#) (IANG);
- [Quality Migrant Admission Scheme](#) (QMAS);
- [Admission Scheme for the Second Generation of Chinese Hong Kong Permanent Residents](#) (ASSG); and
- [training visa](#).

The majority of PAIBs and PAIPs indicated they have not applied for any of the aforementioned talent admission schemes to recruit talent.

### Whether respondents have applied for the HKSAR Government's talent admission schemes



Respondents claimed the following reasons were behind the low application rate:

- **Lack of awareness** for the schemes
- Schemes generally **lacked appeal**
- Application processes perceived to be **overly complicated**

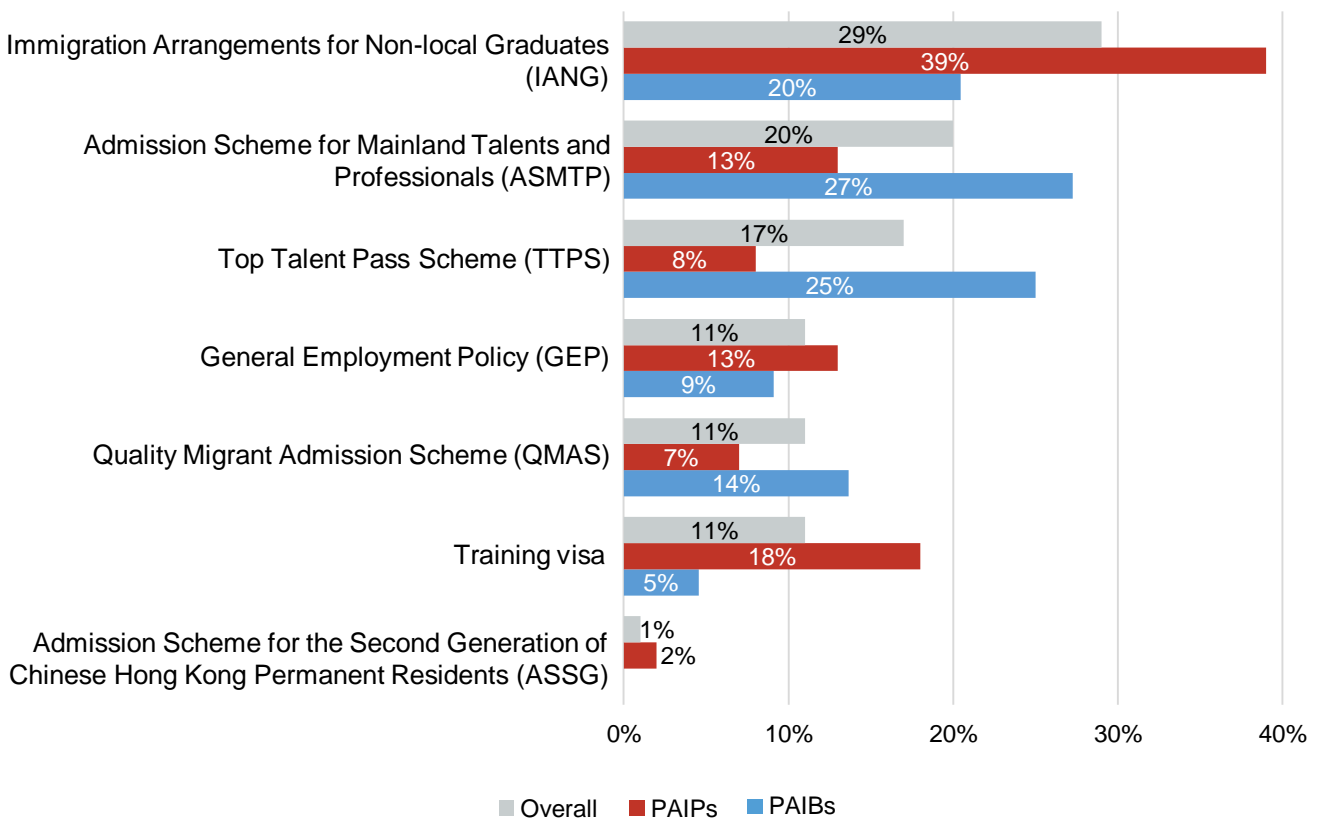
## Understanding of HKSAR Government's talent admission schemes (cont'd)

Among respondents who applied to the schemes:

About 40% of the relevant PAIPs applied to the IANG to recruit talent. The IANG is designed for recruiting non-local graduates to work in HKSAR, which indicates that the shortage of junior level of staff is more serious than supervisory and management positions in the PAIPs sector.

Over half of the relevant PAIBs chose to apply for the TTPS and ASMTTP to recruit talent. Since both TTPS and ASMTTP require applicants with relevant academic qualifications or work experience, which means PAIBs are much more likely to hire for positions that are supervisory or above through these schemes.

Schemes applied by respondents

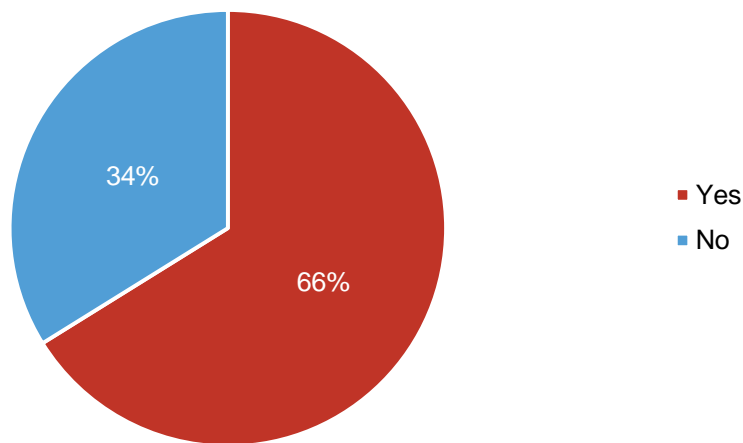


## **Exploring potential solutions and support measures to attract talent**

### **A. Talent List Hong Kong**

The [Talent List](#) displays which professions Hong Kong needs talents for the most and are eligible for the immigration facilitation under the GEP, ASMTP and QMAS.

Whether the accounting profession should be included into the Talent List



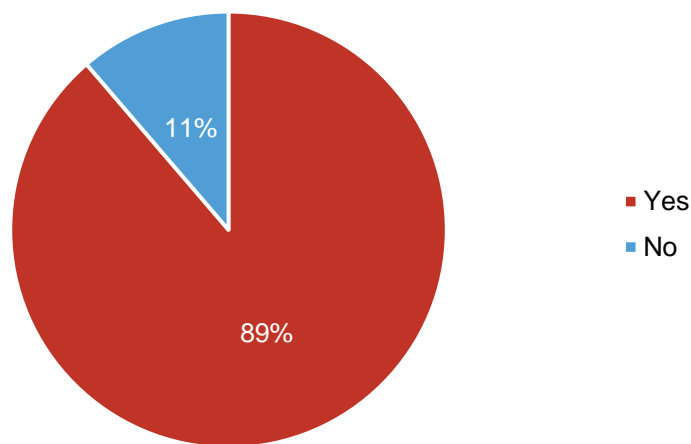
**66% of respondents agreed that the accounting profession should be included in the Talent List, and believe this initiative could assist Hong Kong in terms of attracting accounting related professionals.**

## Exploring potential solutions and support measures to attract talent (cont'd)

If the accounting profession is to be included in the Talent List, most of respondents agreed with below requirements:

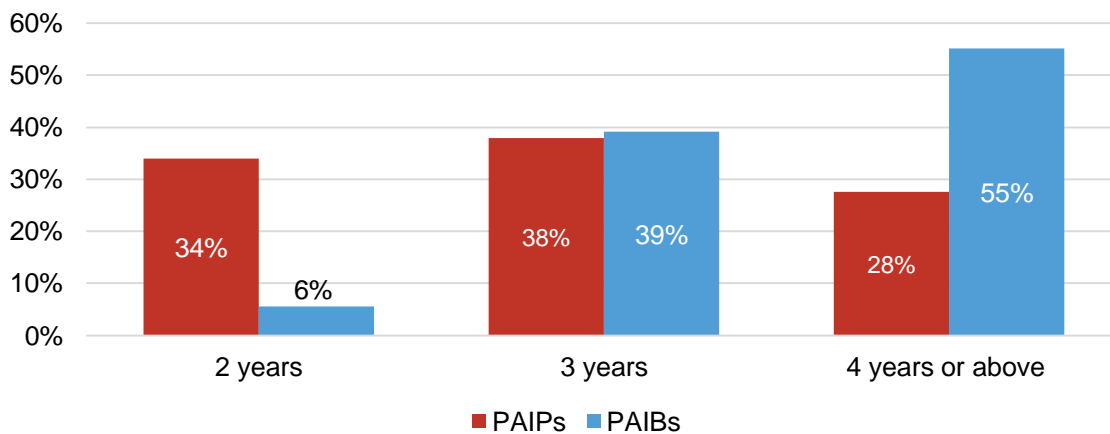
- a degree in accounting / business major from a recognized university or a tertiary educational institution, with accounting-related work experience;
- proficient in written and spoken Chinese (Putonghua or Cantonese) or English; and
- full membership of HKICPA or equivalent qualifications is preferable.

Whether the respondents agreed with the proposed requirements



If accounting profession is to be included in Talent List, the majority of PAIPs prefer applicants with at least three years of working experience and above. Over half of PAIBs prefer applicants with four years or above of working experience.

No. of years of work experience preferred for applicants



These results also reflect the shortage of junior level of staff among PAIPs, and the relative shortage of staff with more experience among PAIBs.

## Exploring potential solutions and support measures to attract talent (cont'd)

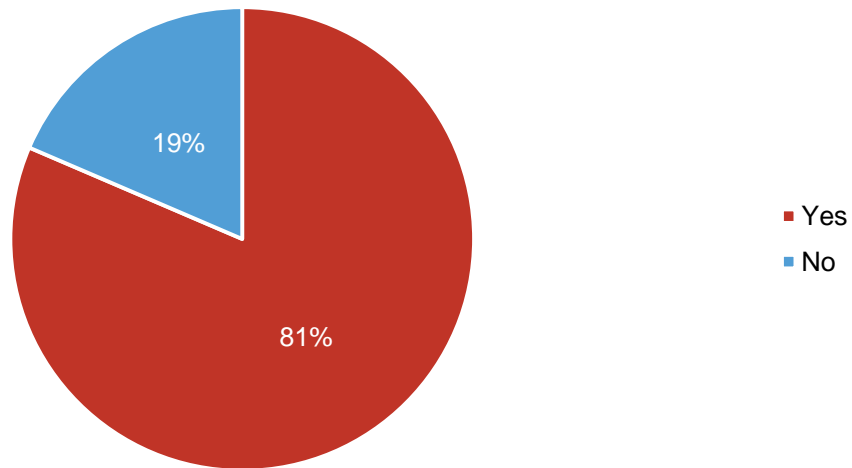
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### B. Greater Bay Area

73% of respondents agreed that students from the GBA represent one of the most readily accessible talent pools.

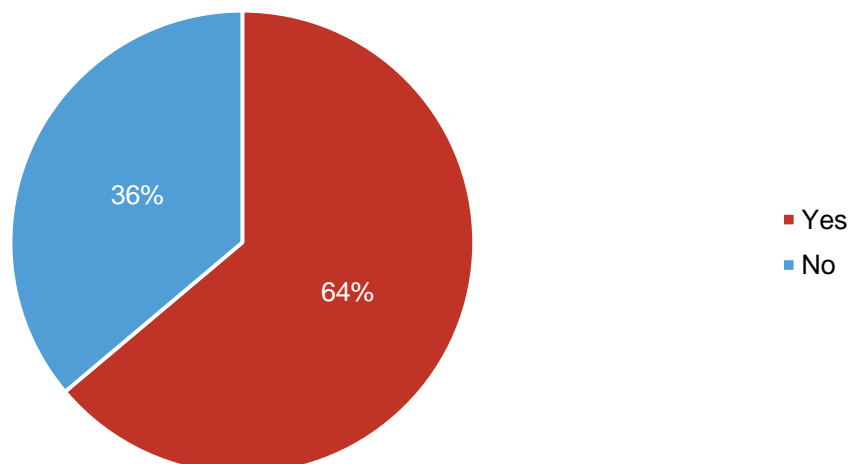
Over 80% of respondents agreed that expanding the scope of the IANG to encompass the Institute's accredited programme in the GBA could help attract more students to apply for the scheme. (Various degree programmes are accredited by the Institute, where a number of module exemptions are granted at the QP Associate Level for its graduates.)

Whether the scope of IANG should be expanded to include the Institute's accredited programmes in GBA



Nearly two third of respondents agreed that providing subsidies for Mainland China students to pursue the Institute's QP could effectively attract talent from the Mainland China.

Whether subsidies should be provided to Mainland China students to study QP

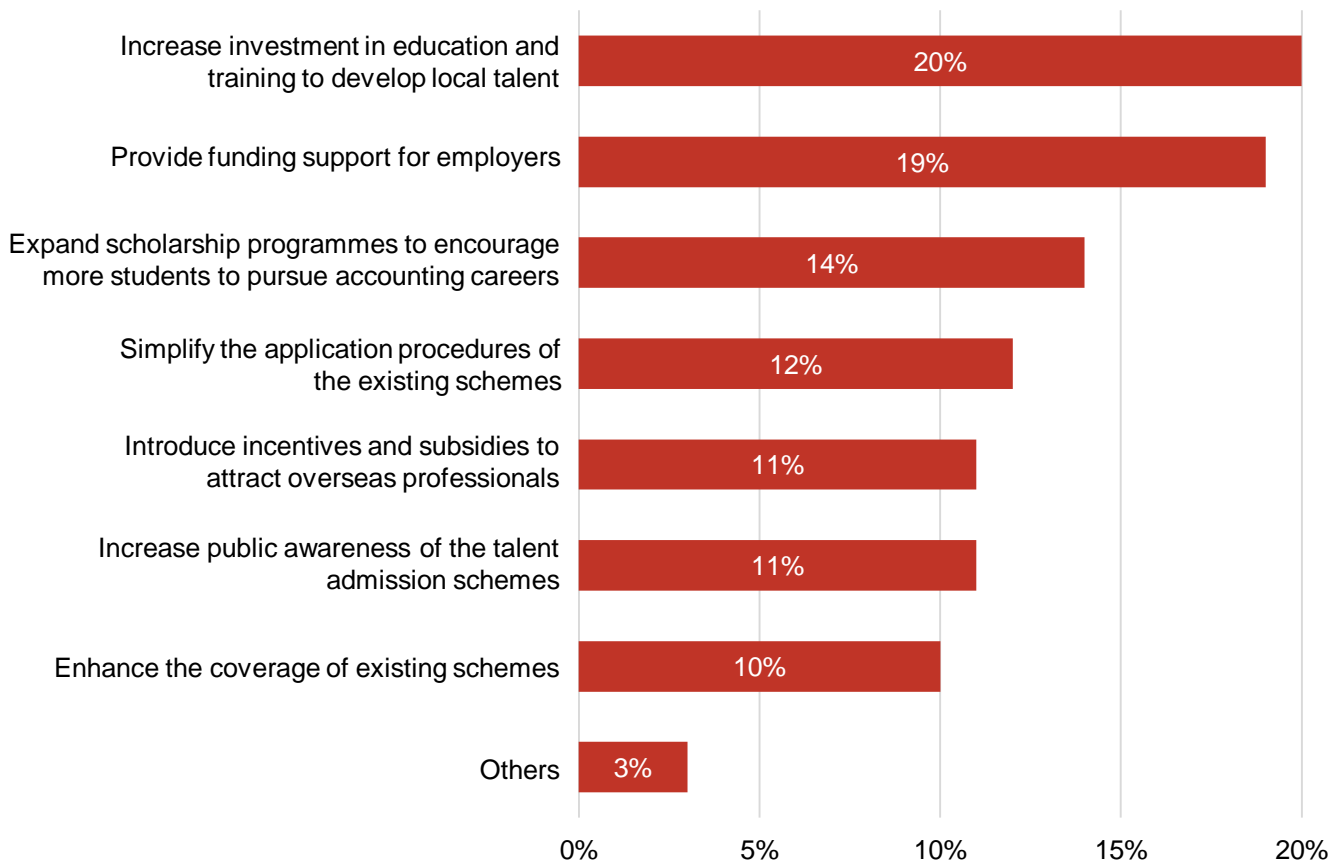


## Exploring potential solutions and support measures to attract talent (cont'd)

### C. Additional suggestions

The respondents also indicated their opinions on what additional measures the HKSAR Government could take to mitigate the shortage of accounting profession, both PAIPs and PAIBs agreed that providing funding support to employers, as well as increasing investment in education and training to develop local talent could help solve the issue.

#### Suggestions of additional measures



Some respondents also advised that cooperation with audit firms at Mainland China, digitalization of operation procedure, as well as rebranding the accounting profession, could help in mitigating the talent shortage issue.

## ***Support from the Institute***

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The Institute is committed to providing comprehensive support to its members in various aspects of their professional journey. Recognizing the importance of talent acquisition and retention, we have implemented a range of initiatives to assist members in these areas.

### **Experiential Business Learning Programme**

The [Experiential Business Learning Programme](#) aims to facilitate practice units, in particular small and medium practices (SMPs), in developing a talent pipeline to meet their man-power needs, and to promote and groom future talents for the accounting profession.

The programme also offers students the opportunity to develop business acumen and receive practical experience through a structured programme that consists of a training workshop organized by the Institute and job placement at practice units. The students will gain exposure from participating CPA firms and their clients, and will be supported by professional colleagues throughout.

### **HKICPA Source**

[HKICPA Source](#) is an online portal for accounting and related career opportunities specially created for our members. The Institute collaborates with top recruitment agencies, and accounting and business employers to come up with this online resource featuring the most recent job postings for CPAs.

### **Employer Toolkit - Accounting+**

The Institute has conducted additional research and studies to address this issue and our findings were summarized in an [article published in the latest issue of A Plus](#).

Based on these findings, we have formulated a set of materials that communicate the employee value proposition to potential candidates to encourage them to join the profession and support employers in attracting and retaining talent. This [tool kit](#) will help employers clarify misconceptions and emphasize the indispensability and impact of the profession, as well as the long-term value of the QP.

### **Enhanced collaboration with secondary schools and tertiary institutions**

The Institute has implemented various initiatives to cultivate talent at an early stage. These include roadshow QP Talks in universities, tertiary institutions, and secondary schools, and providing platforms such as case competitions to foster learning and collaboration. Moreover, it has further amplified the impact of its initiatives through collaboration with the Education Bureau (EDB).

## ***Proposals from the Institute to the HKSAR Government***

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Based on above findings and with reference to prevailing market benchmarks, the Institute proposed the following initiatives for the HKSAR Government's consideration.

### **Inclusion of the accounting profession in the Talent List**

The Talent List identifies which professions Hong Kong needs talents for the most and are eligible for immigration facilitation under the GEP, ASMTP and QMAS. Specifically, QMAS applicants can receive an additional 30 points under the General Point Test, enhancing their chances of successfully obtaining a visa or entry permit from the Immigration Department.

To expand the recruitment pool for the accounting profession in Hong Kong and facilitate the application process for accounting-related vacancies under GEP, ASMTP, and QMAS, it is recommended to include the accounting profession in the Talent List.

The proposed qualification requirements for the accounting profession include: (i) a relevant bachelor's degree in accounting or business administration, (ii) minimum of three years of relevant work experience, and (iii) proficiency in relevant language skills.

### **Expanding the scope of the IANG to cover the Institute's accredited programmes in the GBA**

To attract more accounting talents from the GBA to work in Hong Kong, and against the background that a number of accounting-related degree programmes offered by Mainland China and Macau universities are already accredited by the Institute, we would kindly invite the HKSAR Government to expand the scope of IANG to cover the Institute's accredited programmes, thereby increasing number of the higher education institutions concerned from two to five.

### **Subsidizing the study of the Institute's Qualification Programme**

The Institute propose that the HKSAR Government offers subsidies to (i) graduates of the Chinese Institute of Certified Public Accountants (CICPA) and (ii) non-local student members graduated from universities in the Mainland China, to support their pursue of completing the QP offered by the Institute.



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