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PONDARA® on Hong Kong's Social Challenges and Responses

Source: JFU | Digital Tools
15 September 2025

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Emily Hung's report¹ in the South China Morning Post examines Hong Kong's current social problems ahead of Chief Executive John Lee's annual policy address. The report points out that the government's social welfare policies are insufficient and raises thought-provoking viewpoints. This note firstly summarizes the report's findings, and then shares a solution strategy explored by a workgroup established by PONDARA®.

The article's findings

1. Unemployed workers (especially grass-roots)

- **The plight:** Many, like carpenter Benny Hung, face drastically reduced income, and struggle to find work.
- **The cause:** Unionists blame the government's significant labour importation policy (from under 3,000 in 2023 to over 50,000 by May 2025), which has increased competition for "grass-roots" jobs, particularly in construction (7.2% jobless rate).
- **Advocacy calls:** Labour minister Chris Sun denies the link, stating non-local workers are less than 1% of the workforce. However, the report notes sanctions against 11 companies for violations, indicating issues with implementation and oversight. Unionists advocate for more precise, frequent policy reviews.

¹ "How will Hong Kong's John Lee help the jobless, the unhappy old and the young?" (September 13, 2025)"

2. Unhappy Old (and their carers)

- **The crisis:** There is "mounting distress" among carers of the elderly and disabled, with a 30% increase in elderly suicides over a decade (472 cases in 2024, 40% of all suicides).
- **The example:** Chong Lan-ying, a 68-year-old carer, describes her emotionally and physically exhausting experience caring for her aggressive husband with dementia.
- **Advocacy calls:** Existing government measures (hotlines, community teams) are deemed insufficient. Advocates highlight strict eligibility for carer allowances (only 10,000 recipients out of 1.3 million carers) and urge expansion of a high-risk family database and dedicated carer support centres.

3. Struggling young people

- **The problem:** Rising suicide rates among youth (15-24 age group: 11.7 per 100,000 in 2024; 17 student suicides in H1 2025).
- **The cause:** Children's rights advocate Heather Yeung attributes this to Hong Kong's "hypercompetitive" and "suffocating" learning environment, where "success is extremely narrow" and equated almost solely with university degrees. The government focuses on mental health but does not tackle the root cause of an "elitist society."
- **Advocacy calls:** Yeung advocates for more diverse pathways to success, systemic change in education, and active youth engagement in policy-making.

The article concludes that the rise in joblessness, suicides, and family tragedies indicates that a great deal of work needs to be done to "fix the holes in Hong Kong's safety net."

PONDARA® Workgroup's proposed solution strategy

The PONDARA® workgroup attempts to view the challenges of the jobless, the young, and the old as one interconnected problem, and to devise a solution strategy that integrates technological empowerment with humanistic values.

AI-enabled future-ready skills

The core challenge for the jobless and the young is not merely unemployment, but the rapid evolution of the "skills economy." To help these groups, and in turn, better support the elderly, we need a forward-looking strategy that leverages technology while affirming human value.

- **Magnifying human ingenuity:** Artificial intelligence (AI) is not merely an automation tool; crucially, people should learn to leverage it for magnifying human ingenuity. Through this, we can develop new ideas, find better ways to do better things, and expand the boundaries of possibility.
- **AI as a critical skillset:** The ability to effectively work **with** AI (rather than **be replaced by** AI) will be a critical skillset for the young and for re-training the jobless. This new skill aims not only to avoid replacement but also to **create more and better opportunities**, thereby expanding the possibilities, capabilities, and capacity of the entire society.

- **Beyond avoidance, towards creation:** The goal is to move beyond simply adapting to technological change. Instead, it is about actively shaping the future, where humans, empowered by AI, can unlock unprecedented levels of productivity and innovation. At an individual level, the new skillset, and the opportunities it brings will enhance people's self-confidence and give them hope for the future.

Simultaneous dual-track approach for industry and household sectors

The vast potential brought by AI and AI-powered Actualization Robots, requires human workers to exert personal effort and exercise technical skills to be realized (Personal Actualization Efforts). Policies should facilitate the establishment and exertion of human workers' efforts and skills in two critical areas.

- **Industry/Corporate sector:** This sector requires workers equipped with **business and production skills** that integrate AI. This includes data analysis, process optimization, creative problem-solving, and enhanced strategic decision-making. The aim is for Hong Kong enterprises to rank among the best globally in efficiency, innovation, and competitive advantage. In our vision, workers at different levels can all participate and receive compensation commensurate with their contributions.
- **Household/Care sector:** This sector is vital for supporting the elderly and improving the quality of life, requiring a unique blend of skills. It demands not only skills related to smart home technologies or assistive AI devices but, crucially, **human kindness, empathy, and care**. AI can handle routine tasks, even imitate human-style communication but the human element of compassionate care, social interaction, and emotional support becomes even more paramount. This sector offers significant employment opportunities for intelligent and humanized services, especially for those who might prefer or excel in service-oriented roles.

Ethical training, cultivating a correct sense of morality

- **Ethical principles:** In an era of rapid technological change, particularly with AI's growing influence, it is essential to equip our labour force with a **strong ethical foundation and a correct sense of morality**.
- **Responsible AI use:** This training should cover the ethical implications of AI use in corporate decision-making at all levels and in personal care interactions, ensuring technology is applied responsibly, equitably, and with human dignity at its core. It will guide workers to use AI for good, preventing misuse and ensuring that the pursuit of efficiency or profit does not override humanistic values.

With this integrated strategy, we believe Hong Kong can not only address the immediate social challenges of unemployment and care for the vulnerable but also position itself as a forward-thinking society that harnesses the power of AI to build a more productive, caring, and ethically grounded future for all its citizens.