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| Executive Summary |

Generative AI[[1]](#footnote-2) has recently aroused global attention. Open AI, the creator of the newly invented chatbot “ChatGPT”[[2]](#footnote-3) has amassed over 100 million registered users since its launch in November 2022[[3]](#footnote-4). AI applications such as ChatGPT, Bing AI, Midjourney and others can be used to generate different types of content using algorithms to produce pictures, text, programs and even video. This has led to the technology’s increasing popularity.

Generative AI has brought drastic changes in productivity within society. A growing number of organisations and enterprises in Hong Kong have introduced this technology to boost their business development[[4]](#footnote-5). In addition, governments of different countries are intending to use generative AI. The Singaporean Government, for example, has indicated that they would allow civil servants to use ChatGPT for research and drafting reports; their Ministry of Education will also instruct teachers to use generative AI tools to strengthen students’ learning[[5]](#footnote-6). Similarly, the Japanese Government would consider using ChatGPT for word processing and analysis in response to workforce reductions in their civil service[[6]](#footnote-7). The use of Generative AI has been increasing in different sectors; impacting future employment opportunities.

A recent report from McKinsey Digital[[7]](#footnote-8) has stated that Generative AI has beneficially impacted the global economy by creating new jobs and promoting economic growth across the world. Generative AI in general has been favourable to the development of all industries, yet it poses the greatest threat to highly paid and educated individuals at risk of being replaced. Goldman Sachs[[8]](#footnote-9) has predicted that worldwide, as many as 300 million full-time jobs could be replaced by AI in the future. The workforce in Hong Kong is no exception, especially for the upcoming generations be they currently employed or those who will be seeking employment. The question of how young people in Hong Kong can acquire the necessary skills to be prepared for an increasingly uncertain future, is yet to be answered.

The rapid development and application of technology, including generative AI, brings different opportunities. However, issues such as data security, fake information, privacy, ethics and intellectual property have also attracted the attention of regulatory agencies around the world. Government bodies, such as the European Union, the United States, and Mainland China have introduced regulatory measures and even taken targeted actions. The use of generative AI in Hong Kong has also brought widespread discussion. Prof. Sun Dong, Secretary for Innovation, Technology and Industry, said that the Government is open to the new technology, yet would seek to set up a supervisory committee to monitor the trend[[9]](#footnote-10). Given generative AI’s accelerated growth and application, and with governments of the world’s main economies starting to implement regulatory frameworks, the issue of how to properly use and guide the development of this technology becomes an unavoidable question for the HKSAR Government and various sectors in Hong Kong.

The rapid development of technology will significantly reshape Hong Kong’s employment landscape. This research explores Hong Kong young people’s usage of generative AI and their view of such technologies. It will also investigate the possible changes brought to the employment environment and consider the experiences of different countries, to provide a direction as to how Hong Kong and young people in particular can prepare for the new era of Artificial Intelligence.

This study collected data between April and July 2023, by reviewing literature, conducting online surveys with 558 HKFYG members aged 15 to 34, studying 18 local youths, and interviewing seven experts and scholars in the relevant field.

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| Main Discussion |

1. The application of generative AI will be a major trend. To cope with the significant changes to the future employment landscape, the younger generation must strengthen their technological training and personal capabilities to adapt to the new challenges brought by new workplace technologies.

2. Learning and getting used to generative AI in time. 78% of interviewees stated that they have used generative AI tools. Many believed that it greatly benefits their learning or work, with the main benefit being that of increased efficiency. However, the biggest challenge is being able to determine the accuracy of AI output.

3. Mastering the key skills of generative AI. Most interviewees agreed that generative AI helps generate new ideas, contribute to efficient deployment of labour, and promote economic development. However, young people also believed that it will significantly reduce traditional job positions. While they are not overly concerned about being replaced by generative AI, they feel uncertain about their own employment prospects.

4. Cultivating the atmosphere surrounding the application of generative AI. Currently, various companies or workplace environments have shown an interest in using generative AI. It has become vital to up-skilling and provide support and training for employees.

5. Emerging concerns about risks and regulation of generative AI. While generative AI brings about significant changes in productivity, it also involves risks such as information security and ethical issues. So far, there is no consensus whether generative AI technologies should be regulated. It is worth exploring how to balance promoting technological innovation and establishing regulation.

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| Recommendations |

Based on the research findings and key discussions, the following suggestions are worth considering to promote the healthy development of generative AI technology and prepare society and young people for it:

1. A supervisory committee is being established by the HKSAR Government, under Prof. Sun Dong, Secretary for Innovation, Technology and Industry. It is recommended that the following aspects can be included in the scope of discussion regarding generative AI: (a) Establish a consensus to facilitate the development of guidelines for using generative AI across different sectors; (b) Increase public awareness of the risks and responsibilities associated with the technology; and (c) Provide oversight for the ordered development of generative AI.

In response to the emergence of generative AI technologies such as ChatGPT, it was announced in February of this year that a supervisory committee would be established to address issues associated with the technology. As specific details have not yet been provided, it is recommended that the committee should work towards establishing consensus and facilitating the development of guidelines for using generative AI across different sectors. Additionally, it should seek extensive input from these sectors before implementing any major policy measures.

It is also necessary for this supervisory committee to include in their agenda the discussion on how to make the public aware of the potential risks and responsibilities associated with the use of generative AI. It is important to ensure that the public is well-informed of the safety of this technology and instructed in its proper use.

Due to the risks involved in the development of generative AI, effective supervision is not only a concern in Hong Kong but also an objective to which governments worldwide are committed. The committee should plan for preliminary measures on how to formulate a regulatory framework for generative AI to ensure its development is orderly.

2. The Government can establish pilot schemes in various public facilities to promote the application of generative AI in innovative ways, allowing the general public to understand the convenience and benefits brought about by the technology.

There were opinions that Hong Kong could make good use of AI chatbots or virtual assistants to provide different solutions, even recommending personalised products, thereby promoting the development of "technology + tourism" in Hong Kong.

The Government can also leverage the features of AI chatbots to provide personalised services and information. By introducing technology in various service areas across different departments and selecting suitable public facilities as pilot projects, it can assist citizens in problem-solving and thus enhance the quality and efficiency of services.

Apart from public institutions like Radio Television Hong Kong using the AI assistant to report the weather, Government departments can also introduce the technology in other service areas: AI-enabled computer kiosks under the Cultural and Leisure Services Department can be installed in sports centres allowing users to ask related questions and receive real-time, personalised information; Hong Kong Post can also set up computer kiosks with AI assistants to provide immediate support when people encounter difficulties.

3. Under the existing "Technology Voucher Programme" funding scheme in Hong Kong, introduce an "AI Voucher”. This can support the application of generative AI in small and medium-sized enterprises (SMEs) to adopt technology and accelerate their digital transformation.

To encourage SMEs to adopt AI solutions, the South Korean government currently offers an “AI Voucher” programme for SMEs to procure services from companies specialising in AI solutions. Approved enterprises can receive AI vouchers with a value of approximately HK$2 million (approximately 300 million Korean won).

Hong Kong enterprises are currently having to accelerate the application of AI technology, including generative AI, in their business processes. Although the South Korean government’s AI voucher programme is not specifically designed for generative AI, Hong Kong can optimise the existing “Technology Voucher Programme” funding scheme by introducing generative AI-specific vouchers to provide incentives for SMEs to adopt these solutions.

More effort can also be put in to streamline administrative procedures and enhance the flexibility to speed up the application of generative AI by enterprises in their businesses. The Hong Kong Productivity Council can also offer consultancy services, such as through self-help web applications, to assist local SMEs in tailoring generative AI solutions according to their specific business needs and improvements in their workflow.

4. Increase incentives for continuous training in generative AI skills to adapt to rapidly evolving technological advancements.

Although the widespread application of generative AI in businesses has led to an expectation for employees to possess the necessary skills, employees may not necessarily master them. To accelerate technological training and skill enhancement in the labour market, it is recommended to include more courses related to generative AI in both the course list of the Continuing Education Fund (CEF) and the programmes covered by the Reindustrialisation and Technology Training Programme (RTTP). These courses should align with current development needs with regular updates to be made to keep the content up-to-date with rapid advancements in technology.

1. Generative AI is the application of artificial intelligence to create content e.g. words, images, videos and audio corresponding to users’ prompts. [↑](#footnote-ref-2)
2. ChatGPT is a language model specialising in dialogue and text generation from users’ queries. [↑](#footnote-ref-3)
3. ChatGPT, & iGlobe (2023). "ChatGPT Application Handbook". Taiwan: iGlobe Productions Limited [↑](#footnote-ref-4)
4. HKET (2023, June 28). “AI increases efficiency in online shops, automated content simplifies nearly 70% of work” (AI提升網店效率 自動生成內容簡化近 7成工作). Hong Kong Economic Times. Retrieved from June 28, 2023, from https://inews.hket.com/article/3557213/【人工智能】AI提升網店效率%E3%80%80自動生成內容簡化近7成工作?mtc=40001&srkw=sasa%20ai [↑](#footnote-ref-5)
5. Business Focus (2023, February 27). “Singaporean Government introduces ChatGPT to draft documents and incorporates generative AI into the school curriculum “As if Learning Math through Calculators” (新加坡政府引入 ChatGPT草擬文件 擬納入教育課程「如用計數機學數學」). Retrieved from August 11, 2023, from https://businessfocus.io/article/224680/%E6%96%B0%E5%8A%A0%E5%9D%A1-chatgpt-microsoft-%E6%95%99%E8%82%B2 [↑](#footnote-ref-6)
6. Business Digest (2023, April 12). “Japanese Government considers adopting ChatGPT to reduce civil servants’ workload” (日本政府考慮採用ChatGPT，以AI減輕公務員負擔). Retrieved from June 14, 2023, from https://businessdigest.io/商業熱話/人工智能-日本政府考慮採用chatgpt-以ai減輕公務員負擔 [↑](#footnote-ref-7)
7. Chui, M., Roberts, R., Yee, L., Hazan, E. Singla, A., Smaje, K., Sukharevsky, A., & Zemmel, R. (2023, June 14). “The economic potential of generative AI: The next productivity frontier.” McKinsey Digital. Retrieved from August 11, 2023, from https://www.mckinsey.com/capabilities/mckinsey-digital/our-insights/the-economic-potential-of-generative-ai-the-next-productivity-frontier#introduction [↑](#footnote-ref-8)
8. Hatzius, J., Briggs, J., Kodnani, D., & Pierdomenico, G. (2023, March 26). “The potentially large effects of artificial intelligence on economic growth.” Goldman Sachs Economic Research. Retrieved June 2, 2023, from https://www.gspublishing.com/content/research/en/reports/2023/03/27/d64e052b-0f6e-45d7-967b-d7be35fabd16.html [↑](#footnote-ref-9)
9. Ming Pao (2023, February 25). “Hong Kong Government considers setting up committee in response to ChatGPT; Sun Dong: highly concerned about such innovative technology; ITB: a preliminary plan” (應對ChatGPT政府擬立委員會 孫東：高度關注革命性技術 創科局：屬初步構思). Retrieved June 9, 2023, from https://news.mingpao.com/pns/港聞/article/20230225/s00002/1677264185178/應對chatgpt-政府擬立委員會-孫東-高度關注革命性技術-創科局-屬初步構思 [↑](#footnote-ref-10)