

For discussion
On 27 February 2001

LegCo Panels on Welfare Services and Manpower

Initiatives to help the unemployed find employment

Introduction

This paper briefs members on the various initiatives introduced by the Government to help the unemployed find employment.

Different Roles of Various Departments/Agencies

2. The Labour Department (LD) helps the unemployed find jobs by providing a comprehensive range of free employment assistance and counselling to job-seekers through its network of job centres. The Social Welfare Department (SWD) aims at helping the unemployed Comprehensive Social Security Assistance (CSSA) recipients, who represent a special group of unemployed having special needs for employment assistance, to overcome the barrier to work. The Employees Retraining Board (ERB) aims at providing retraining for the unemployed to help equip them with the requisite skills to hold down a job. While the LD, SWD and ERB have introduced various measures to achieve the common objective of helping the unemployed, each of them has its own well-defined role and focus.

Measures Adopted by the Labour Department to help the unemployed

LD's Employment Assistance

3. The LD provides a comprehensive range of free employment assistance and counselling to job-seekers through its 9 job centers, 2 Employment and Guidance Centres for New Arrivals, a Telephone Employment Service Centre and a Job Vacancy Processing Centre.

4. The LD captures about 54% of all the vacancies in the job market and maintains a huge database on vacancies and job seekers. Through its Interactive Employment Service, LD allows job-seekers and employers to access the huge data bank of jobs and job-seekers through the Internet. The data bank is also open to other agencies/Non-Government Organizations in the community.

5. Other specialised employment services of the LD include:

- (a) Job Matching Programme provides job seekers having difficulties in job search with personalised and intensive employment services. The services include in-depth interviews, employment counselling, job matching and where appropriate, referrals to tailor-made retraining courses to improve their chances of success. Last year, the Labour Department revamped the Programme to enable job-seekers to obtain the latest information about the current labour market; and receive core skills training through group counselling sessions in areas such as communication and interviewing skills;
- (b) starting from July 1998, the Employment Services Division (ESD) has rendered a speedy and convenient telephone referral service to job-seekers who can, instead of visiting the job centres, obtain job referral by telephone. A Telephone Employment Service Centre was set up in December 1998 to centralise the provision of telephone employment service;
- (c) launched in March 1999, the iES website helps job-seekers and employers find suitable jobs and employees, and allows them to access the huge data bank of jobs and job-seekers maintained by the ESD through the Internet. Employers may search through the database for suitable candidates via the net.

Since July 2000, a dedicated web page for employers and job-seekers has been developed and put into operation to

enhance the employment service for the construction industry. Another dedicated web page for local domestic helpers was launched in January 2001 to provide job-matching service for employers and job-seekers interested in local domestic helper posts.

The iES has been developed into an Employment Portal with access to another 9 major employment websites maintained by leading newspapers and job magazines. Private employment agencies are now allowed to post their job vacancies on iES free of charge;

- (d) two Employment and Guidance Centres for New Arrivals were set up in September 1997 and March 1999 in Shaukeiwan and Mongkok respectively to provide placement and counselling service to new arrivals. On top of placement service, these two centres organise regular employment briefings to enhance new arrivals' job search skills and knowledge of the current labour market; and
- (e) as from July 1998, employers who place vacancy orders with the ESD can choose to have their particulars put on display so that job seekers can contact them direct to seek job interviews without going through the job centres. The number of employers and job-seekers using this service is on the rise.

6. Given its scale of operation, its diversified modes of employment services catering for the needs of all categories of job-seekers, and its leading role in terms of number of vacancies received and job-seekers served, LD has the professional expertise and the back up systems to operate an effective and efficient employment service to help the unemployed find employment.

New initiatives implemented by the LD to help the unemployed find employment

7. Apart from the Youth Pre-employment Training Programme which provides dedicated services to unemployed youth aged 15 to 19,

LD has launched a Re-employment Pilot Programme for the Middle-aged in February 2001, to provide a one-stop service for job-seekers aged above 40 who have been registered with the Department for three months or above. The Programme will assist the long-term unemployed middle-aged through workshops and personalized counseling, thereby enhancing their employability. Employers who are willing to engage these job-seekers in a full-time permanent job will provide them with induction training during the first month of employment. Induction training covers basic components such as familiarization of workplace, working procedures and job-specific skills. The employers will have to appoint an experienced staff as the mentor for the employee concerned. Participating employers will in turn receive from the Programme Office a one-off training subsidy of \$2800.

Measures to help the unemployed initiated by the Social Welfare Department

Support for Self-reliance Scheme

8. Arising from a review of the CSSA Scheme, the SWD implemented on 1 June 1999 the Support for Self-reliance (SFS) Scheme.

9. The primary objective of the SFS Scheme is to provide active assistance to encourage and help unemployed CSSA recipients rejoin the workforce and move towards self-reliance. The scheme consists of two programmes: the Active Employment Assistance (AEA) programme and the Community Work (CW) programme.

Active Employment Assistance programme

10. SWD has trained up a complement of 'Employment Assistance Coordinators' (EA Coordinators) to deliver the AEA programme. Under this programme, EA Coordinators act as a source of information and facilitators to enable the participants to get access to up-to-date labour market information and other support services which the participants need to overcome barriers to work. They will also help the participants develop personalized action plans to find work, monitor progress, and render assistance, where necessary. In addition, a computer system is available at each social security field unit to provide

CSSA recipients with on-line access to information on employment and retraining opportunities through the websites of the LD and other service providers.

Community Work programme

11. The CW programme aims at helping the participants develop a work habit, improve socialization, and increase their self-esteem and confidence, paving the way for paid employment. It also provides an opportunity for them to contribute to society whilst on benefit. Unemployed CSSA recipients are arranged to perform unpaid work of benefit to the community for one day or two half-days a week.

12. The community work opportunities can be broadly divided into community services (such as counter service in libraries, furniture repairs and laundry work) and environment-related projects (such as tree planting, gardening work, cleaning of non-gazetted beaches and sorting of waste collected for recycling).

Disregarded earnings

13. As part of the SFS Scheme, the provision of disregarded earnings under the CSSA Scheme has also been enhanced to provide more incentives for able-bodied recipients' to find full-time employment. In assessing a family's CSSA entitlements, part of the monthly income earned from a full-time job can be disregarded. In addition, with effect from June 1999, the first month's income earned by an able-bodied recipient from a full-time job could also be totally disregarded, subject to the condition that the benefit would be allowed not more than once during a two-year period. With effect from 1 July 2000 we have made the disregarded earnings provisions simpler and more attractive by removing minimum income and working hours requirements.

Results of the Support for Self-reliance Scheme

14. SWD has conducted an evaluation of the SFS Scheme to assess its effectiveness in meeting its objectives. Members of LegCo Panel on Welfare Services were briefed on 11 December 2000 on the

findings of the mid-term evaluation of the scheme, covering the first twelve months of its operation. The final evaluation, which covers the first eighteen months of its operation, is near completion. Members will be briefed of the findings of the final evaluation in due course.

15. Evidence to date suggests that the SFS Scheme has met its objectives. It is proving effective in moving unemployed CSSA recipients into paid work and off benefit. Up to January 2001, eleven per cent of the participants in the AEA programme had found a job, compared with one per cent under the old system whereby all unemployed CSSA recipients were only required to register with job centers of LD to look for a job. The number of CSSA 'unemployment' cases dropped from its peak of 32 435 (13.8 per cent of total CSSA caseload) in May 1999 to 23 364 (10.4 per cent of total CSSA caseload) in January 2001. There has been much positive feedback from the participants about the AEA programme and the CW programme.

16. The initial success of the SFS Scheme demonstrates that many able-bodied CSSA recipients do not wish to spend their working lives on CSSA, and that with the right help and assistance, many of them can become self-reliant. Nevertheless, we recognize that we still have a large number of CSSA 'unemployment' cases. Compared with the unemployed population at large, unemployed CSSA recipients are at a decided disadvantage in the labour market. In general, they are older, poorly-educated and unskilled. A high proportion of them, in particular those who have been out of touch with the labour market for some time, may require some additional forms of assistance on top of the AEA programme to help them overcome barriers to work and improve their employability.

New initiatives under the Promoting Self-reliance Strategy

17. Building on the success of the SFS Scheme and other existing services, the Government has put in new resources to implement in 2000/01 a Promoting Self-reliance Strategy (PSS). The strategic goals are twofold: to offer targeted assistance to help unemployed, low-income and single-parent CSSA recipients to become more self-reliant, and to strengthen support services for socially disadvantaged families to

help prevent the problems that result in their turning to social security in the first place. In meeting these goals, SWD has sought to establish new, innovative partnerships with non-governmental organizations (NGOs) in the welfare sector to tap their expertise and experience in helping the vulnerable groups in the community to lead independent lives.

18. The new Strategy comprises the following elements:
- (a) extending the AEA programme under the SFS Scheme progressively to cover all unemployed CSSA recipients and low-income recipients who are not working full-time;
 - (b) commissioning NGOs to launch a special job attachment programme to enable CSSA recipients to gain real working experience through on-the-job training;
 - (c) providing funding support for NGOs to run innovative, tailor-made intensive employment assistance projects for CSSA recipients;
 - (d) launching a pilot job-matching programme to provide special training and intensive placement service for unemployed CSSA recipients;
 - (e) relaxing the restrictions on disregarded earnings for employable CSSA recipients so that those taking up part-time or casual employment can also retain part of their earnings; and
 - (f) strengthening support services for working parents, single-parent families and new arrivals, including provision of additional child care facilities and community care services for the elderly, and enhanced services for single-parent families and new arrivals.

The details and up-to-date position regarding those measures which aim to provide more intensive employment assistance to help unemployed, low-income and single-parent CSSA recipients become more self-reliant

are given below.

Extension of the AEA programme to cover more able-bodied CSSA recipients

19. Action is underway to progressively extend the AEA programme to cover all unemployed CSSA recipients and low-income recipients who are not working full-time. This will be completed by the end of March 2001. As at January 2001, the AEA programme has been extended to about eighty per cent of the targeted cases, and a total of 19 500 CSSA recipients have enrolled in the programme.

Pilot job matching programme

20. A pilot job matching programme was developed by SWD in conjunction with LD and ERB and was implemented from June 2000 to December 2000. It aimed to assist more CSSA recipients back to work through the provision of up-to-date labour market information, retraining and intensive job matching services. Twenty-three of the 179 CSSA recipients who participated in the programme secured employment. The overall success rate was thirteen per cent. Sixty-five per cent of the jobs secured fell within the salary bracket of \$5,000 to \$8,000 a month.

21. An evaluation of the programme is now underway.

Special job attachment programme

22. A special job attachment programme (SJAP) has been developed by SWD specifically for unemployed CSSA recipients who have joined the AEA programme for six months or more and single-parent recipients, with priority given to those whose youngest child is approaching 15 years of age. This is a two-year project commencing in January 2001 to provide job attachment opportunities for about 1 000 target participants a year.

23. Thirteen NGOs have been commissioned to run the programme in the SWD districts for specific groups of CSSA recipients. They will provide counseling, training, job attachments for three to six

months, job placement, and post-placement services of no less than six months for the participants. Job attachment allowance of \$1,805 will be paid to the participants during the job attachment period to cover any additional expenses that they may incur. The estimated annual cost of this programme is \$17.3 million. The programme has just been launched. It will be carefully monitored and its effectiveness evaluated.

Projects financed by the Intensive Employment Assistance Fund

24. A financial commitment of \$43 million has been approved for an Intensive Employment Assistance Fund (IEAF) to provide financial support for NGOs to run tailor-made projects to provide more intensive assistance for specific groups of CSSA recipients during the three years from 2000/01 to 2002/03. The projects should incorporate a range of activities, including intensive counselling, help with motivation to work, job matching and placement, and post-placement service, to address the barriers faced by the participants. The target participants are unemployed CSSA recipients who have joined the AEA programme for six months or longer, single-parent and other CSSA recipients who have special problems. It is estimated that 7 200 CSSA recipients will benefit from these projects each year.

25. A Project Vetting Committee has been set up to consider applications from NGOs for financial support from the Fund. The Committee has to date approved seven applications involving a total of \$14 million. The approved projects are expected to start in March 2001. The main activities under these projects include computer skills training, specialized support for ex-offenders, training in running mutual-help childcare centres and small businesses, etc.

26. Given the experience gained since the implementation of the SFS Scheme and to complement the AEA programme, SWD considered it worthwhile to implement the SJAP and the IEAF, focusing on specific groups of CSSA recipients who face particular barriers to work. These initiatives aim to offer targeted assistance to address the specific needs of those groups of CSSA recipients who require additional assistance, and they can overcome the tendency of some existing programmes to give priority to the most job-ready applicants who have fewer barriers to

success.

27. The SJAP and the IEAF provide a good opportunity for SWD to develop and test out more innovative approaches to help CSSA recipients move into work. SWD will evaluate the SJAP and the projects funded by the IEAF to assess how effective they are in achieving their objectives and then to decide on the way forward. As part of the evaluation, SWD will conduct focus group discussions and collect feedback from different stakeholders, including the operating NGOs and the participants.

Employees Retraining Board

28. The ERB provides retraining courses primarily to the unemployed aged 30 and above with no more than lower secondary education. Job placement and other follow-up support services are provided by ERB's training bodies for retrainees of full-time courses. Both SWD and LD may refer their clients to the ERB for enrolment in retraining courses. As a matter of policy, priority in course enrolment is given to CSSA recipients.

Collaboration between the relevant Government departments and other public bodies and service providers

29. To ensure that their programmes work towards the common goal of helping the unemployed and complement each other, the SWD, LD and ERB collaborate on various fronts through different means and channels on a regular basis. For instance, the LD and ERB has set up a computer network to exchange information about job vacancies and retraining courses to improve the flow of information. At the same time, LD opens up its huge data base of vacancies to SWD as well as to all NGOs offering training and placement services. SWD and NGOs have also been involved in offering counselling services to participants of the Youth Pre-employment Training Programme and NGOs are also actively involved in the Re-employment Pilot Programme for the Middle-aged. In implementing the CSSA Review, the SWD set up an Inter-departmental Coordinating Group involving LD and ERB to oversee the implementation of the SFS Scheme and the new initiatives under the Promoting Self-reliance Strategy, networking employment assistance, training/retraining and other support services.

30. The departments/agency have developed close cooperation at all levels to avoid duplication of efforts and to optimise available resources. For instance, the SWD and LD are mindful that the additional training they provide for CSSA or non-CSSA recipients, whether in the form of workshops, seminars and counselling sessions, would complement rather than duplicate the training courses provided by the ERB. As the various programmes offered by these departments/agency serve a distinct client group and a different purpose, there is no wastage or duplication of resources.

31. Close liaison between the relevant Government departments and other service providers will continue to ensure the best use of available resources to help disadvantaged job seekers to find employment.

Health and Welfare Bureau
Education and Manpower Bureau
Social Welfare Department
Labour Department

February 2001