

**LegCo Panel on Manpower
(Meeting to be held on 18.4.2002)**

Youth Work Experience and Training Scheme

Introduction

To address the rising unemployment rate among young people between the ages of 15 to 24, it is proposed that a “Youth Work Experience and Training Scheme” should be implemented.

Background

2. At a time of high unemployment, we are particularly concerned about the employment prospects of young people. With limited practical skills and work experience, young people often find it more difficult to obtain employment especially in a slack labour market. In November 2001 - January 2002, the unemployment rate among young people aged 15-24 stood at 12.3% as compared with the overall unemployment rate of 6.8%. The number of young people who were not engaged in any studies or work during the same period was 79,700.* Young job seekers, especially first-time job seekers, have found it increasingly difficult to secure employment. The longer these young people stay idle, the more difficult it would be for them to enter/re-enter the labour market.

Youth Work Experience and Training Scheme

3. To better equip unemployed young people for employment, we propose to launch the Youth Work Experience and Training Scheme to provide young people with work experience and job-related training.

4. The Scheme, to be administered by the Labour Department, will run for a period of two years and provide training places for about 10 000

* This figure includes homemakers, those taking part in Youth Pre-employment Training Programme (YPTP), those preparing to study abroad and being sick.

young people between the ages of 15 and 24 with education attainment below degree level. Depending on the nature of trade, employers can offer training vacancies lasting for six months to one year. Employers will need to set out the content of the training programme they intend to offer and the skills trainees are expected to develop during the training period. Upon satisfactory completion of the employment and training, a certificate specifying the skills attained and the period of employment will be awarded by employers to trainees.

Training Subsidy to Employers

5. Employers will receive a monthly training subsidy of \$2,000 for each trainee engaged and will in return be expected to pay the trainee a salary commensurate with the level of the work to be performed. Employers will also need to provide an undertaking that during the period they **would not replace existing staff with the trainees**. They would be required to appoint a mentor to guide the trainee throughout the period of training. The Labour Department will offer suitable training for mentors.

Related Training for Trainees

6. Under the Scheme, trainees will be encouraged to attend, during the period of training, suitable courses which would lead to vocational qualifications e.g. qualifying examination of insurance intermediaries offered under the Insurance Intermediaries Quality Assurance Scheme, tour escort certificate courses offered by the Travel Industry Council of Hong Kong, retail certificate courses run under the Skills Upgrading Scheme, etc. The Government will reimburse course and examination fees totalling no more than \$4,000 to any trainee who has successfully passed the examination leading to the vocational qualification or who has achieved at least 90% attendance rate at the training course. Employers will be required to grant leave to trainees for their attendance at these courses on a part-time day-release basis if necessary.

Case Management

7. To prepare young people for the Scheme, they will be required

to attend a short induction course on communication and interpersonal skills. We will seek the assistance of non-government organisations to provide case managers who are registered social workers to assist young people joining the Scheme. Among other things, the case manager will match the interest, abilities, and career aspiration of the young person with the nature and requirements of the training vacancies available. The Labour Department will work closely with the case managers and refer the young people for interview with prospective employers. Where a young person has been successfully placed, the case manager will provide regular support and counselling services and ensure that appropriate training is provided. This would help sustain the motivation of the trainee and ensure that they benefit from the Scheme.

8. The Labour Department will offer training for case managers to facilitate their provision of services to young people. Service standards will be developed so as to ensure their relevance and quality.

Interface with the Youth Pre-employment Training Programme

9. The Scheme provides systematic and intensive on-the-job training to trainees and facilitates their attendance at off-the-job training courses for the purpose of acquiring vocational qualifications. This should enable the trainees to gain useful work experience and training, thereby enhancing their employability. With the introduction of the new Scheme, the on-the-job training component of the Youth Pre-employment Training Programme (YPTP) will be suspended for the next two years as participants will be able to receive such training under the new Scheme.

Response from Employers and Non-government Organizations

10. Preliminary discussions with employers in the private sector and non-government organisations reveal enthusiastic support for the Scheme. The Labour Department will step up its marketing effort with a view to canvassing a considerable number of training vacancies for trainees of the Scheme. The present plan is to launch the Scheme in July 2002.

Evaluation of the Scheme

11. A system of evaluation will be established at an early stage such that the effectiveness of the Scheme can be assessed more scientifically and systematically. Under the system, multi-variant performance indicators will be developed in conjunction with participating non-government organizations. A longitudinal survey will be conducted to track the longer-term effect of the Scheme on the trainees, and to provide other relevant information which may be useful to the formulation and review of policies on youth development, training, and employment.

Financial Implications

12. To meet the demand for training subsidy, provision of soft skill training, follow-up monitoring and counselling services, and reimbursement of fees for off-the-job training courses, the Scheme will need a one-off funding of around \$400 million for two years, broken down as follows :

Training subsidy, course and examination fee reimbursement	\$280 m
Induction training and counselling, follow-up and support services	\$53 m
Training for mentors and case managers	\$4 m
Promotion and publicity	\$8 m
Survey, review and evaluation	\$5 m
Administration, staffing and general expenses	\$38 m
Contingency	\$12 m
Total :	\$400 m

Submission to the Finance Committee

13. A submission for the funding of this Scheme will be made to

the Finance Committee for approval later this month.

Advice Sought

14. Members are requested to provide comments on the proposed Scheme.

Education and Manpower Bureau
April 2002