

For information
on 20 January 2005

LegCo Panel on Manpower

Policy Initiatives of the Economic Development and Labour Bureau

Introduction

This paper elaborates on the new and on-going initiatives relating to the labour portfolio of the Economic Development and Labour Bureau in the 2005 Policy Agenda.

2005 Policy Agenda

New Initiatives

2. We will implement the following new initiatives :
 - (a) Extend about 10 000 temporary jobs in the public sector to meet operational needs
 - Since 2000, the Government has created a number of temporary jobs in the public sector to help the unemployed enter/re-enter the labour market and meet operational needs. In 2004, some 11 700 temporary jobs were extended. Many of these jobs were suitable for workers with less education, lower skills and limited work experience. The bulk of these jobs will expire by end-March 2005.
 - After a careful review of these temporary jobs, and having regard to operational needs, departments/agencies concerned will extend about 10 000 temporary jobs in a wide range of services including cleansing, health, welfare and leisure services at a cost of about \$770 million. Please refer to **Annex** for details.

(b) Launch a Work Trial Scheme for 2 000 unemployed persons having special difficulty in finding jobs

- This is a new scheme to enhance, through a one-month work trial, the employability of job-seekers who have special difficulty in finding jobs. This group of persons may include those who have registered with the Labour Department (LD) for a prolonged period or those who have failed repeatedly in job interviews.
- Scheme participants will work in real jobs offered by participating organizations.
- During the work trial period, there will be no employment relationship between the participant and the participating organization. The LD will pay the scheme participant an allowance of \$4,500 upon completing the work trial.
- Participating organizations will be encouraged to offer employment to scheme participants after satisfactory completion of the work trial.
- The scheme will provide work trial opportunities for 2 000 job-seekers at an estimated budget of about \$9 million.
- The scheme is expected to be launched in April this year.

(c) Implement a Work Orientation and Placement Scheme (WOPS) to help place 1 000 people with disabilities into employment

- WOPS aims to encourage employers to employ disabled job-seekers.
- Disabled job-seekers will be provided with a short pre-employment training programme covering, among other things, the latest labour market information, job-searching skills, interviewing techniques, work ethics, and interpersonal skills.
- For each disabled person engaged, the employer will be paid a monthly allowance equivalent to half-month's wages, subject to a ceiling of \$3,000, for up to three months.
- Mentors appointed by employers to help the disabled employees settle smoothly into their new jobs will be given a one-off award of \$500 as a token of appreciation.

- At an estimated budget of some \$8 million, the WOPS will help place 1 000 disabled job-seekers into employment.
- WOPS is expected to be launched in April this year.

On-going Initiatives

3. Apart from new initiatives, we will continue to implement the following initiatives:

(a) Strengthening tripartite cooperation among the Government, employers and employees to maintain harmonious labour relations and help resolve employment issues

- We have implemented a number of measures in 2004 to strengthen tripartite cooperation. These include:
 - working closely with industry-based tripartite committees to promote the adoption of good human resources management practices;
 - stepping up promotional efforts such as publishing guidebooks on good human resources management practices and labour laws of special interest to the respective industries;
 - organising a large-scale seminar for some 250 participants to promote partnership between employers and employees and good customer services in the catering, retail, and hotel and tourism industries; and
 - expanding the *Tripartite Committee on Warehouse and Cargo Transport Industry* into the *Tripartite Committee on Logistics Industry* to keep pace with the latest developments in the trade.
- This year, the LD will continue to promote industry-specific good people management practices in collaboration with the tripartite committees, particularly those of the catering, construction and property management industries.

- (b) Continuing with the Special Incentive Allowance Scheme for Local Domestic Helpers (LDHs) to address the mismatch of supply and demand of the LDH market
- The Scheme, launched in June 2003, is administered by the Employees Retraining Board (ERB). Qualified LDHs¹ who are willing to work across district or during “unsocial hours” (from 5pm to 9am) are eligible to apply for a daily allowance of \$50, with an overall cap of \$7,200. A total of \$60 million has been set aside to benefit 8 000 LDHs.
 - As at 31 December 2004, there were some 3 700 approved applications, representing nearly 50% of the 8 000 places on offer.
 - We have stepped up publicity on the Scheme to encourage more eligible LDHs to join the Scheme and to attract more people to employ LDHs.
- (c) Continuing with the Re-employment Training Programme (RTP) to help place middle-aged unemployed into jobs
- The RTP, launched in early May 2003, aims to encourage employers to employ job-seekers aged 40 or above and to offer them on-the-job training. For each participant engaged, the employer will receive a monthly training allowance of \$1,500 for up to three months.
 - As at end-2004, the RTP has placed some 8 600 into employment mainly as security guards, cleaners and labourers.
 - LD will continue to promote and run this programme in 2005 to assist more middle-aged job-seekers to secure suitable employment.
- (d) Continuing with the Youth Pre-employment Training Programme (YPTP) and the Youth Work Experience and Training Scheme (YWETS) to provide young people aged 15 to 24 with training and employment opportunities

¹ Those who (a) have completed the LDH training offered by the ERB; (b) are in possession of a competency card; and (c) take up a job through the referral of the ERB’s Integrated Scheme for LDHs.

- The Government has been pressing ahead with the YPTP and YWETS to enhance the employability of youths.
- Launched in September 1999 to provide comprehensive pre-employment training to school leavers aged 15 to 19, YPTP offers 12 000 training places each year. Since its inception, YPTP has provided training to more than 57 000 young persons. Discounting those who pursued further studies on completion of the programme, about 70% of the trainees had secured employment.
- YWETS was launched in July 2002 to provide employment and on-the-job training to 10 000 young people aged 15 to 24. Participating employers receive a monthly training subsidy of \$2 000 for each trainee engaged during the six to 12 months training period. As at end-2004, some 18 300 trainees have been successfully placed in training vacancies. In addition, another 10 900 trainees were able to find jobs in the open market with the assistance of their case managers. Given its initial success, the Scheme has been extended till 2006-07.
- We will continue with these two youth training and employment programmes in 2005.

(e) Stepping up enforcement action and publicity to combat illegal employment

- The Government has been sparing no efforts in protecting the employment opportunities for local workers by combating illegal employment. In 2004, the LD inspected 129 713 establishments and checked the identity of 207 797 employees. It also conducted 104 joint operations with the Police or Immigration Department to raid targeted establishments as compared to 36 in 2003. The number of illegal workers detected by the LD was 760, representing an increase of 55% over last year and the number of employers arrested for employing illegal workers was 196, exceeding the yearly total of 86 in 2003 by 128%.
- On the education front, the LD has produced a new leaflet to warn employers of the custodial penalty of employing illegal domestic helpers. The leaflet has been distributed to large housing estates. The Department's Complaint Hotline has also been widely publicized

through calendar cards, leaflets, and letters to labour unions and District Council members to encourage reporting of illegal employment activities.

- The LD will continue to strengthen intelligence collection and cooperation with relevant law enforcement departments in combating illegal employment.

(f) Stepping up enforcement action against wage offences

- The Government takes a very serious view on wage offences and will make every effort to prosecute employers who have contravened wage provisions under the Employment Ordinance.
- The LD will continue to conduct prompt and in-depth investigation into suspected wage offences. With rigorous enforcement efforts, a total of 504 convicted summonses on wage offences were secured in 2004, representing an increase of 13.3% over the 445 convicted summonses in 2003.
- We have also strengthened educational and promotional efforts to remind employers of their statutory obligation to pay wages on time and to educate employees on the need to lodge claims promptly if their wages are in arrears. Last year, we launched a new announcement of public interest on television to remind employers that delay in paying wages is not only an offence but will also adversely affect labour relations.
- We will continue with our rigorous enforcement efforts in tackling wage offences.

Members' Views

4. We welcome Members' views on the various initiatives.

Economic Development and Labour Bureau
Labour Department
January 2005

Annex

**Extension of temporary jobs in the public sector
Breakdown by departments/agencies**

| Department/Agency | Number of jobs to be extended | Job nature/job titles |
|--|--------------------------------------|---|
| Social Welfare Department | 3 800 | Youth ambassadors, programme assistants, care assistants, peer counsellors, and community work organizers |
| Hospital Authority | 2 200 | Health Care assistants and construction workers |
| Food and Environmental Hygiene Department | 2 100 | Mainly cleansing workers employed by contractors |
| Leisure and Cultural Services Department | 1 400 | Leisure, Cultural, Sports and Arts Training Project Assistants, and cleansing staff |
| Agriculture, Fisheries and Conservation Department | 300 | Cleansing staff |
| Total : | About 9 800 | |