

## **LEGISLATIVE COUNCIL BRIEF**

### **Future Directions of the Employees Retraining Board**

#### **INTRODUCTION**

At the meeting of the Executive Council on 31 March 2009, the Council ADVISED and the Chief Executive ORDERED that the final recommendations of the strategic review on the future directions of the Employees Retraining Board (ERB) should be endorsed for implementation in phases.

#### **JUSTIFICATIONS**

##### **Public Consultation Conducted by the ERB on its Strategic Review**

2. Over the years, the ERB has been mainly serving the unemployed aged 30 or above and with education attainment of Secondary three or below. Following the announcement by the Chief Executive in the 2007 Policy Address, the ERB has relaxed the eligibility criteria for its Employees Retraining Scheme (ERS) to cover people aged 15 or above and with education level at sub-degree or below since 1 December 2007. To meet the employment needs and expectations of its expanded target clientele, and in face of the financial tsunami and its adverse impact on local employment, the number of training places offered by the ERB was increased from 87 000 in 2007-08 to about 122 750 in 2008-09 and will reach about 143 000 in 2009-10. Apart from increasing training places, the ERB is also striving to enhance the contents and upgrade the quality of its courses. The ERB will ensure that its training courses gain recognition under the Qualifications Framework (QF) so that its graduates can secure recognised qualifications in addition to placement support. In short, the standards of both quality and quantity will be raised.

3. To better meet the coming challenges, the ERB conducted a strategic review on its future role and functions and released a public consultation document in January 2008. The consultation document recommended, inter alia, that the ERB should provide more comprehensive and diversified training and retraining services for the local labour force. It laid down the blueprint for the future development of the ERB.

4. During the consultation period, the ERB hosted several consultation sessions to solicit views on the strategic review from trade associations, professional bodies, trade unions, training bodies and tertiary education institutions. The ERB also met with and consulted various stakeholders separately, including employer groups, trade unions, social service organisations, ethnic minority groups, etc. In addition, the ERB conducted a public opinion survey to gauge the public's views on major issues raised in the consultation document. A separate survey was carried out in Tin Shui Wai to find out more on the special needs of new arrivals. The Manpower Panel of the Legislative Council (LegCo) was consulted on 21 February 2008.

5. The public consultation lasted for more than three months and the ERB received a total of 91 written submissions. Views received from all sources were mostly in support of the future new directions of the ERB. The strategic review was considered to have outlined a blueprint with vision which has taken into account the changing demands. While most agreed that the ERB should provide different training courses and services to a wider spectrum of the labour force, some training bodies and trade unions considered that the ERB should not deviate from its original aims and responsibilities at the time of its establishment. They emphasised that the ERB should ensure that it would provide no less than the current level of resources for the more mature, less educated, unemployed persons who would be the most affected by economic changes. They hoped that the ERB would accord priority to supporting these unemployed grassroots workers and providing adequate training places and support to them. There were also comments from the training sector that as the ERB was extending its services from "retraining" to "pre-employment training" and even "in-service training" in future, it should avoid any unnecessary duplication with training provided by other bodies so as to ensure the effective use of limited resources.

### **Future Directions of the ERB : Its Role and Positioning**

6. The ERB has all along been a funding and coordinating body and does not directly provide training courses. Under the Employees Retraining Ordinance (Cap. 423) (ERO), the functions of the ERB are, inter alia, to engage the services of training bodies for the purpose of providing or conducting training services and to defray the costs of the provision of retraining courses and supplementary retraining programmes. Over the years, the ERB has worked in partnership with its appointed training bodies. Through the district networks of these training bodies, the ERB responds in

a flexible manner to changes in the labour market and has suitably assisted grassroot workers to face the impact brought by changes of the economic structure and environment.

7. In the past, the ERB aimed at providing timely skills training for the unemployed with the clear objective of helping them secure employment. Given this limitation, the ERB only managed to address the short-term employment problems of individuals. There was a lack of consideration for sustainability and continuous development of individuals in a holistic manner. With the wave of globalisation, the advent of a knowledge-based economy and the rapid development of technology, it is important for individuals to pursue life-long learning, and to acquire knowledge in breadth as well as depth. Manpower development should become the central perspective in the design of training. For this reason, the ERB has adjusted its service orientation and “sustainability” would be the key.

8. To better reflect its new missions and scope of services, the ERB rebranded the ERS as “Manpower Development Scheme” in July 2008. The ERB will continue to be market-driven and employment-oriented in order to help the labour force, especially the less competitive workers, to sustain employment and continue to upgrade themselves. The ERB will continue to maintain its role as a funding and coordinating body. It will continue to work in partnership with training bodies, which has proven to be effective. Training bodies are required to provide placement services for trainees attending placement-tied training courses. The placement rate is the key performance indicator for the training bodies and the ERB will continue to work with the training bodies to strengthen their placement services, especially with regard to securing and retaining employment for their trainees.

9. We are mindful of the importance of clearly demarcating the respective roles of the ERB and other training providers such as the Vocational Training Council (VTC) and avoiding a duplication of vocational training funded by the public purse. To this end, the ERB will continue to maintain its role as a funding and coordinating body and work in close partnership with training bodies, including the VTC, which has proven to be effective. It will also enhance interface and coordination with the Labour Department and other organisations in respect of training and employment services for young people and other eligible persons.

10. There are many fee-charging continuing education or training providers in the market. Their target clientele are people who can afford

the course fees. Therefore, the main objective of the ERB is to provide free or highly subsidised training and employment support services to people with more limited financial resources.

### **Future Directions of the ERB : Recommendations on Four Key Areas**

11. Taking into account the views and comments received during the public consultation period, the ERB has finalised and submitted the final recommendations on its future directions covering the following four key areas:

- (a) Strengthen research; Expand networks; Fortify recognition; Promote employment;
- (b) Provide optimal training; Enhance quality; Offer innovative services; Help people to help themselves;
- (c) Invest in people; Construct learning pathways; Support enterprises; Create win-win situations; and
- (d) Promote self-actualisation; Develop individuals' potential; Be caring and understanding; Instil social harmony.

The new vision, missions and details of the major recommendations are set out at **Annex A**.

### **Manpower Development Scheme**

12. Following the relaxation of eligibility criteria of the ERS and the completion of the strategic review, the ERB will take on new strategic role and responsibilities and offer more comprehensive and diversified training and retraining services for the local labour force. The expanded coverage brought by the relaxation increases the service target of the ERB from approximately 52 000 to about 137 000 unemployed persons, and about 2.54 million employed persons within the overall working population.

13. Under the rebranded “Manpower Development Scheme”, the ERB endeavours to provide multi-faceted, placement-tied courses as well as generic skills courses to assist its trainees in acquiring vocational skills and recognised qualifications. Under the wave of globalisation, our labour force needs to be able to work well with new technologies and pursue continuous upgrading and innovation to maintain its competitive edge.

Those with lower skill level and educational level always encounter difficulties in acquiring new skills, hence facing higher risks of being displaced. The ERB endeavours to strengthen the provision of foundation skills courses (including English, Chinese, Putonghua, Numeracy and Applied Information Technology) along with the core business of job skills training provision so that the trainees are able to seek gradual advancement.

14. In addition to optimising the quality and expanding the scope of its services, the ERB will also incorporate an element of “sustainability” into its training programmes with a view to enhancing trainees’ employability and competitiveness. In this respect, the ERB has revamped and improved its existing training courses, introduced new courses, and incorporated elements of enhancement of personal attributes (including attitudes of professionalism and work ethics, emotion and stress management, interpersonal relationship, personal financial management, team spirit, adversity management) into its training. On completion of the ERB training courses, the graduates are expected to be more competitive, more proactive and more confident in facing changes, and will have better interpersonal skills.

15. In tandem with the expansion of its service targets, the ERB remains committed to serving the low-skilled unemployed people, displaced workers and the disadvantaged, including the ethnic minorities, new arrivals, the disabled, people who have recovered from work injuries, and rehabilitated offenders. To tackle the unemployment problem of the grassroots and the problem of working poor, efforts to step up education and training are critical. It is of utmost importance that apt training and placement services be provided to prevent them from falling into the social security net.

## **IMPLICATIONS OF THE PROPOSAL**

16. The proposal has financial, sustainability, economic and productivity implications as set out at **Annex B**.

17. The proposal is in conformity with the Basic Law, including the provisions concerning human rights. It has no civil service and environmental implications.

## **PUBLIC CONSULTATION**

18. The ERB released a public consultation document on its future

directions in January 2008. In formulating the final recommendations, the ERB had taken into account the views and comments made by various sectors of the community, including LegCo, employer groups, trade unions, training bodies, tertiary education institutions, professional bodies, social service organisations, ethnic minority groups, etc. during the consultation period.

19. The Manpower Development Committee was consulted on the final recommendations on 12 February 2009 and members generally supported the future directions of the ERB.

## **PUBLICITY**

20. A press release will be issued. A spokesman will be available to handle enquiries.

## **BACKGROUND**

21. The ERB is an independent statutory body established in 1992 under the ERO. It is responsible for providing training and retraining courses and related placement services under the ERS for the purpose of helping local employees adjust to changes in the employment market arising from Hong Kong's economic restructuring by acquiring new or enhanced vocational skills. Since its establishment, the ERB has offered more than 1.3 million training places, benefiting over 620 000 trainees in total. To meet the increasing training demands from the original and new target groups and in face of the financial tsunami, the ERB's plan is to offer about 122 750 training places in 2008-09 and about 143 000 places in 2009-10.

## **ENQUIRY**

22. Any enquiries on this brief should be addressed to Ms Karyn CHAN, Principal Assistant Secretary for Labour and Welfare (Manpower), at 2810 3290.

## **The New Vision and Missions of the ERB and Major Recommendations on its Future Directions**

### I. Vision

The ERB's new vision is to provide flexible, quality and resilient labour force for the knowledge-based economy of Hong Kong.

### II. Missions

2. The ERB's new missions are:

- to keep up with market development and team up with partners, to strengthen the recognition of the vocational qualifications;
- to offer outstanding training courses and services so as to enhance the working population's skills, quality, employability and global competitiveness;
- to support the working population in self-improvement, develop progression pathways for further education; with foresight, to offer employers the manpower they need; and
- to promote self-actualisation, encourage disadvantaged groups to capitalise on their own value, and offer proper services with empathy.

### III. Major recommendations

**(A) Strengthen research; Expand networks; Fortify recognition;  
Promote employment**

#### ***Strengthen research and set up a human resources database***

3. The ERB endeavours to keep its training programmes abreast of market needs and changes. To promote the recognition of its courses and to support its expanded scope of work, the ERB will conduct regular researches and studies on the labour market and manpower demand in order to formulate a comprehensive training strategy. The ERB will also conduct studies on the training and employment needs of different service targets including the underprivileged, in order to develop more diversified and tailored training services for them. The ERB will conduct tracking surveys on graduates to help assess the effectiveness of its services. The ERB also intends to initiate a feasibility study on the establishment of a human resources database in 2010-11.

Such a database will provide useful information for analysing the manpower quality and mobility as well as for reviewing its training plans.

***Reinforce liaison and communication with employers and all stakeholders***

4. To ensure that its training programmes keep pace with the demands and changes in the employment market, the ERB will continue to maintain close liaison and communication with employers and stakeholders. Multiple channels including marketing and corporate communication, new promotional strategies and publications, and different promotional campaigns will be adopted for reaching out to the target groups.

5. The ERB will reinforce its co-operation with relevant Government Bureaux, Departments and organisations in publicising its services to overseas corporations and Mainland enterprises. The ERB will step up the provision of tailor-made courses for overseas or Mainland employers if they plan to set up offices or production centres in Hong Kong. This will in turn promote the development of “Headquarters Economy” in Hong Kong. These dedicated services will alleviate the difficulties of prospective employers in recruiting and training employees on the one hand and increase employment opportunities for trainees on the other.

***Promote skills assessment and professional certification to fortify recognition***

6. Professionalisation of skills marks the development and maturity of a knowledge-based economy, as well as the competitiveness of our labour force amid global and regional competitions. The ERB therefore endeavours to promote professional/para-professional certification schemes to enhance the employability of trainees and set them on their paths to professional careers.

7. The National Occupational Qualification Skill Test and Certification represents an important reference for Mainland employers in recruitment and is important for Hong Kong workers seeking jobs on the Mainland. In order to help elementary workers upgrade their skills, encourage them to attain qualifications and expand their employment horizons, the ERB launched, as a pilot project, the National Occupational Qualification Skill Test and Certification for graduates of its Healthcare Massage courses in mid-2007. The service, offered in collaboration with the Occupational Skill Testing Authority (OSTA) of Guangdong Province, aims to help ERB graduates to obtain the related National Occupational Qualification Certificates in Hong Kong. The National Occupational Skill Tests are administered at the ERB’s Practical Skills Training and Assessment Centre.

8. The ERB intends to expand the scope of assessment service at the Elementary and Intermediate levels of the National Occupational Qualification Certificate and offer a through-train service that provides free training, assessment and certification service for specified occupations. This will be pursued through collaboration with those appointed training bodies of the ERB, which are accepted by the OSTA to administer the National Occupational Qualification Skill Tests in Hong Kong. At present, they are the Hong Kong Federation of Trade Unions, the VTC and the School of Continuing and Professional Studies of the Chinese University of Hong Kong. The arrangement will be reviewed and suitably expanded in accordance with market demand.

9. As an international hub for finance, trade, logistics, tourism and information, Hong Kong needs talents with requisite professional qualifications to operate these services. There are also licensing requirements for entry into certain industries like Insurance. In this context, the ERB is stepping up collaboration and liaison to help those aspiring to enter the professions by earning relevant professional/para-professional qualifications and licences through training programmes. The “through-train” model that provides free training, assessment/examination and certification service for specified trades in achieving “one test, dual certificates” with one of the certificates being issued by the relevant professional bodies will be one of the key tasks of the ERB for 2009-10 and beyond to help those who are interested in joining the professions or para-professions such as Accountancy, Information Technology, Beauty Care and Health Care.

**(B) Provide optimal training; Enhance quality; Offer innovative services; Help people to help themselves**

*Diversify the scope of training courses to cater for new target groups*

10. To realise its new vision, the ERB will focus on enhancing the quality of its training courses and services. At present, the service target of the ERB covers about 137 000 unemployed and 2.54 million employed people of the labour force. It makes great efforts in catering for the expectations and needs of different clientele, and will invite more quality training providers with rich experience or professional background for collaboration. The newly appointed training bodies have begun to launch new full-time placement-tied courses pitched at QF Levels 1 to 4, suiting the career aspirations of the younger unemployed clients aged 21-29. Besides the development of new courses for the new clients, the ERB has also encouraged training bodies to pro-actively develop new courses for its original target trainees (i.e. those aged 30 or above, with no more than junior secondary education) via an incentive scheme.

11. The new courses launched since September 2008 provide training for entering job positions at various levels, covering those for entering supervisory or managerial jobs. A total of over 120 new placement-tied vocational training courses covering 23 industries were developed in 2008-09. These include training courses for project assistant for convention and exhibition; procurement assistant; information technology assistant; clubhouse and recreational facility management assistant; fitness instructor; tour guide; hotel front desk officer; insurance agent; accounting technicians; clinic nursing aid; care-related support workers; wholesale management; and human resources executive. The ERB will continue to introduce new courses geared to the demands of the employment market and provide better placement services to help trainees take up suitable courses and jobs.

### ***Improve training content and extend training hours***

12. The ERB has revamped the courses and services for its original clients (i.e. unemployed middle-aged workers with no more than junior secondary education level). These include enhancing and updating course contents, extending course hours for practical training. By expanding both the range and depth of course contents and introducing new courses, the ERB hopes to meet the varying demands of its clients with different education levels. By now, all full-time placement-tied training courses of the ERB have included the personal attributes and job search skills core module. Training of personal attributes will cover self-management, work attitude and job adaptation, communication and interpersonal skills, emotion and stress management, time management, personal financial management, resilience in times of adversity, team spirit, professionalism and integrity, etc.

13. With the improvements of its training courses, training hours for the ERB's existing full-time courses have increased from an average of 98 hours in 2007-08 to an average of 132 hours (ranging from 80 to 256 hours) in 2008-09. The average training hours of new training courses are around 197 hours (ranging from 120 to 312 hours). In addition, the ERB will endeavour to develop courses based on the "Specification of Competency Standards" at QF Levels 1 to 4 developed by the respective Industry Training Advisory Committees under the QF so as to make the courses more relevant to the industries' needs.

### ***Incorporate work experience in training courses***

14. The concept of work experience has been introduced to allow trainees of different trades to put the knowledge and skills that they have learnt into practice in a real working environment before they embark on a job. Under

normal circumstances, the ERB considers that the duration of the Work Experience Programme should generally be no longer than two to four weeks to avoid possible abuse by employers. Participation in the Work Experience Programme by graduates is voluntary, and trainees must have completed the training course and passed the related skills assessment before participation. As a start, the ERB plans to provide at least 1 000 places under the scheme for 2009-10.

***Enhance quality assurance and cost effectiveness***

15. The ERB has been progressively strengthening its quality assurance mechanism of courses. This is to ensure the recognition of courses by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (HKCAAVQ) and their uploading onto the Qualifications Register (QR). The credibility thus gained will help trainees attain recognised qualifications for employment and further learning.

16. To promote the spirit of sustainable employment, the ERB has been in dialogue with its appointed training bodies over a definition of placement rate for the placement-tied vocational training courses. The ERB will undertake a comprehensive study to enhance the standard of placement services covering pre-employment, job-seeking and post-employment stages. It will study, inter alia, service content and duration, as well as qualifications and training of staff offering placement services. Training bodies will be consulted throughout the study. The definitions of placement rate and retention rate will also be examined as part of that study.

***Pilot one-stop training cum employment resource centre***

17. The Chief Executive announced in the 2007 Policy Address the introduction of a pilot scheme to try out the one-stop employment support mode. In this connection, the ERB has made pro-active efforts and set up a pilot “One-stop Training-cum-Employment Resource Centre” (TERC) in Sham Shui Po. The TERC has been in full operation since 8 October 2008.

18. In the light of the experience of the pilot TERC and the policy directive of the Labour and Welfare Bureau (LWB), the ERB will consider whether to further adapt the operational mode of the TERC.

**(C) Invest in people; Construct learning pathways; Support enterprises; Create win-win situations**

***Strengthen the articulation of training courses and offer training on skills upgrading***

19. In the past, the ERB focused on catering for the pre-vocational training needs of displaced employees. Following the strategic direction of manpower development, the ERB will provide training services systematically for employees of various industries to continuously upgrade their skills. The key objective is to create better ties on programme design and articulation between pre-employment training and on-the-job training. The ERB will introduce part-time skills upgrading courses in 2009-10 to help in-service employees upgrade their skills in their industries, or acquire new skills in other industries, to prevent unemployment. In accordance with the fee-charging policy of part-time courses of the ERB, trainees will either be fully subsidised on the course fees if they are unemployed or of low income (with monthly income of \$7,000 or below), or have to pay a course fee which ranges from 30% (people with monthly income of \$7,001 to \$15,000) to 100% (people with monthly income above \$15,000) of the course costs. Employers may sponsor the course fees for their employees.

20. To cater for the needs of the employed at different educational levels, the ERB will develop courses on a modular basis pitched at QF Levels 1 to 4 and provide different combinations of modules for different industries as seen fit. Course duration will be around 40 hours on average, and modular certificate will be awarded to graduates. Training content, QF levels, training hours and credits of courses will be devised in accordance with the Specification of Competency Standards developed by the respective Industry Training Advisory Committees, as and when available. The ERB plans to roll out courses to cover 26 industries in about three years' time.

***Strengthen partnership and consultative networks with industries***

21. To enable more effective course development, to strengthen the partnership and consultative networks with industries, and to be coherent with the systems of QF and QR, the ERB will reorganise its current 12 Trade Advisory Groups and 46 Course Steering Groups into Industry Consultative Networks (ICNs). At the same time, industry representatives who have insights into, and commitment to, the development of the industry and its manpower will be invited to join the ICNs.

22. The ICNs will be invited to tender advice on the job types and

positions available in the respective industries; their skill sets required and employment prospects. They will also be expected to comment on the relevance of training at different QF levels to job requirements in the industries and the objectives to be achieved; qualifications of instructors and mode of delivery preferred; training span; assessment and quality assurance standard required. They will help the ERB in reviewing course contents of training programme regularly to ensure the overall effectiveness and relevance of training. The ERB plans to establish ICNs in phases, in response to the market changes and manpower needs of the respective industries. It intends to set up 26 ICNs in about three years' time.

### ***Provide recruitment and training services to employers***

23. Employers and employer associations can apply to the ERB for tailor-made courses if they have 12 (15 previously) or more vacancies in a particular job position and if they encounter difficulties in recruitment. The ERB hence provides one-stop recruitment, pre-employment training tailored to the employer's requirements and on-the-job follow up service for employers. The ERB is also prepared to design tailor-made courses for social enterprises.

### ***Make use of training allowance effectively***

24. At present, the maximum amount of training allowance that an ERB trainee may receive as stipulated in the ERO is \$4,000 a month. Training allowance is currently disbursed to trainees of full-time placement-tied courses which last for more than a week. With attendance reaching 80% or above, trainees are paid training allowance at the rate of \$153.8 per day of attendance.

25. Noting the greater variations in the qualifications, age groups and situations of its service targets after the relaxation since December 2007, the ERB will adjust its criteria with effect from 3 April 2009 for the granting of training allowance to optimise the use of resources. The ERB has resolved that training allowance should be intended for subsidising trainees' expenses for transport and meals during the period when they attend full-time placement-tied courses.

26. The standard training allowance will be \$70 to all eligible trainees attending full-time placement-tied courses (except for the Youth Training Programme). However, trainees belonging to the original target groups (people aged 30 or above, with education level of Secondary 3 or below) attending full-time courses of QF Levels 1 and 2 will continue to receive the same amount of training allowance of \$153.8 per day as with before as they will be given an additional allowance of \$83.8 per day. For non-engaged youths aged between 15

and 20 attending the new Youth Training Programme, an amount of \$30 per day of training allowance (on a par with a similar allowance under the Youth Pre-employment Training Programme operated by the Labour Department) will be provided. As in the past, no allowance will be paid to trainees attending part-time non-placement-tied courses.

***Establish service brands, create employment opportunities, incubate social enterprises***

27. With experience gained from building the brand name of the “Integrated Scheme for Local Domestic Helpers” since 2002, the ERB believes that it can expand its services to provide one-stop household referral services and create more employment opportunities for its graduates. The ERB has re-branded the current “Integrated Scheme for Local Domestic Helpers” as a one-stop diversified household and personal care services in March 2009. The new scheme will provide free referral services including post-natal care, child care, elderly care, support for attending medical appointments, out-patient care, preparation of meals, care for plants/pets, household cleaning, stand-in service for foreign domestic helpers who are on leave, etc. The scheme has been re-branded as “Smart Living” (“樂活一站”) to reflect the expanded scope of services, and to enhance appeal to the middle class consumers.

28. The ERB has been establishing employer networks and providing free one-stop referral services to create employment opportunities for its graduates of massage courses through the Healthcare Massage Integrated Scheme (HMIS). The ERB has developed a brand name for the HMIS, as well as incubated social enterprises of the “3R Zone” Healthcare Massage Shop located in New World Centre, Tsim Sha Tsui, and the home-based HMIS. Given the success of the “3R Zone” in achieving a balanced budget, the ERB will promote the operational model of the “3R Zone” to other real estate developers and encourage them to support social enterprises.

**(D) Promote self-actualisation; Develop individuals’ potential; Be caring and understanding; Instil social harmony**

***Provide appropriate training and employment services to the disadvantaged groups***

29. By providing appropriate training and placement services, the ERB hopes to help the less privileged, including non-engaged youths, the disabled and people who have recovered from work injuries, ex-offenders, new arrivals and ethnic minorities, etc. to receive training and opportunities so as to integrate into the society.

30. The ERB will continue to assist the disabled and people who have recovered from industrial accidents in securing gainful employment in the open market. It will exert greater efforts in programme design and make available more training places according to their needs. The ERB will provide a six-month employment follow-up service for them after completion of training.

31. The ERB's Youth Training Programme targets the non-engaged youths and is meant to be a safety net for them. To avoid duplication of services, the ERB has, under the coordination of LWB, adopted the proposal from the VTC to offer its current "Teens' Programme", "Modern Apprenticeship Scheme", and "Ethnic Minority Project" as the ERB's Youth Training Programme on a pilot basis. Altogether 2 000 training places have been put aside annually for the programme. The pilot scheme will be reviewed two years after implementation. To provide more options to non-engaged youths and to enrich the content of the scheme, the ERB will consider inviting other training bodies to offer the Youth Training Programme in future, so as to assist the ERB in establishing an effective model of youth training.

32. To meet the employment needs of the ethnic minorities, the ERB has initiated placement-tied vocational training courses taught in English at different QF levels since mid-2007. To remove obstacles in receiving training for this group, the ERB funds interpretation services of training bodies where necessary. In February 2009, the ERB has introduced courses on interpretation in an effort to build a pool of community interpreters to serve ethnic minorities. The ERB has introduced vocational Chinese programmes for ethnic minorities and has commissioned the VTC to run these courses since January 2009. To attain wider reception of the courses offered, the ERB has started to produce programme prospectus in English and major ethnic minority languages for distribution through appropriate channels. Training and employment support services will also be strengthened in those districts where most ethnic minorities reside, e.g. Yau Ma Tei, Yuen Long, Sham Shui Po, etc.

33. To assist rehabilitated ex-offenders to rejoin the job market and re-integrate into the society, the ERB will continue to work closely with the Correctional Services Department in exploring more appropriate training in vocational and generic skills for the group in the correctional services institutions, and providing prompt and comprehensive employment assistance upon course completion (and after the trainees are discharged) through the Society of Rehabilitation and Crime Prevention and other training bodies. They will be offered individual placement support services for six months.

34. New arrivals from the Mainland can join the full range of ERB

courses to acquire vocational and generic skills required for local employment. As the ERB courses undergo accreditation by the HKCAAVQ, graduates will be able to obtain recognised qualifications in Hong Kong for employment and continuous upgrading.

### ***Pilot Employment Set Sail Course***

35. To help new arrivals from the Mainland and ethnic minorities enter the employment market and achieve their full potential, the ERB has launched two 48-hour Employment Set Sail programmes catering for these two different target groups in part-time non-placement-tied mode in Tin Shui Wai and Yuen Long areas, as well as Sham Shui Po and nearby districts in early 2009. Through these courses, trainees will learn how to plan their career paths; acquire knowledge of the local community, workplace culture, job-hunting and communication skills; enhance their personal values and positive outlook for life; gain skills on managing emotions and stress; and learn how to balance work and family commitments. The objective is to facilitate their integration into the society and help them set clear career targets. Should these courses prove successful, the ERB will progressively promote the course to other districts where most ethnic minorities or new arrivals reside.

## **Implications of the Proposal**

### **Financial Implications**

From 2008-09 onwards, the Government ceased its recurrent subvention to the ERB which has henceforth met its operating expenses from the Employees Retraining Levy (levy). As at 31 January 2009, the balance of the Employees Retraining Fund (ERF) was around \$4,873 million. The annual expenditure of the ERB is estimated to be about \$877 million in 2008-09 and \$1,040 million in 2009-10. With the five-year levy suspension in place since 1 August 2008, the ERB would rely on the balance of the ERF as well as the annual investment return of the ERF to support its operation and services during the levy suspension period. After the re-instatement of the levy in August 2013, the operation of the ERB would be funded by the annual levy income and investment return of the ERF.

### **Sustainability Implications**

2. In line with the sustainability principle of enabling individuals to contribute to and fulfill their potential by providing universal access to adequate and appropriate education opportunities and social infrastructure, the proposal which aims to strengthen the training and retraining services for the local workers would help enhance the overall quality and competitiveness of our labour force in the long run.

### **Economic and Productivity Implications**

3. The proposal would improve the breadth and depth of ERB services, and thereby better equip our local labour force for adapting to the ongoing economic restructuring and enhance their employability. It would therefore generate productivity gain for the economy at large in the long run.