

For discussion
on 28 April 2015

Legislative Council Subcommittee on Poverty

Measures to unleash labour force for increasing the grassroots' income

Introduction

This paper sets out the Government's major measures which could help unleash labour force and increase the income of grassroots families. These measures range from employment support, training, family-friendly working arrangements, child care services and providing financial support.

Strengthening Employment Support and Training Services for Specific Social Groups in Grassroots Families

2. According to the latest poverty statistics, there were around 408 200 persons resided in 211 500 economically inactive poor households. Many of these households have members who are mature persons (including elders), persons with disabilities and single parents. The statistics also show that among the poor population, females have a lower labour force participation rate than male. In this regard, the Government has been implementing various measures to encourage these members of the grassroots families to join the workforce and to promote their employment opportunities. Details are set out in ensuing paragraphs.

Employment Support Services for Persons with Disabilities

3. The Government has all along been attaching great importance to promoting the well-being of persons with disabilities, consistent with Hong Kong Special Administrative Region (HKSAR)'s obligations under the United Nations Convention on the Rights of Persons with Disabilities (the Convention), which has been applicable to HKSAR since August 2008. Amongst others, Article 27 of the Convention provides for

recognition of the rights of persons with disabilities “to work, on an equal basis with others; this includes the right to the opportunity to gain a living by work freely chosen or accepted in a labour market and work environment that is open, inclusive and accessible to persons with disabilities”.

4. Our policy objective is to assist persons with disabilities to find appropriate jobs on the basis of their abilities rather than disabilities, in an inclusive society which duly recognises the rights, capabilities and contributions of persons with disabilities. In this regard, apart from providing vocational training and employment support for persons with disabilities, the Government will continue to adopt positive encouragement measures to enhance job opportunities for persons with disabilities, such as giving due recognition to good employers, sharing good practices and providing incentive and assistance to employers, etc. Our specific measures and services to promote employment of persons with disabilities are detailed at **Annex A**.

Strengthening Training and Employment Support for Mature Persons and Extending the Retirement Age of Civil Servants

5. With better health, many of the current and future elderly generations may be willing to work longer. The Government will promote a longer working life in all trades and industries. As Hong Kong’s largest employer, the Government has decided to take the lead in extending the service of civil servants. Starting from the middle of 2015, the retirement age for new recruits to the civilian grades will be raised to 65 and that for disciplined services grades to 60. The Government will encourage other employers, in particular public and subvented organisations, to implement appropriate measures to extend the working life of their employees.

6. To encourage mature persons to work, the Employees Retraining Board (ERB) will focus on mature persons as one of its key training targets in the years to come. ERB will conduct market research among mature or retired persons and employers to understand mature persons’ views on continued employment as well as employers’ opinions on hiring mature or retired persons. ERB will identify suitable jobs for mature

persons and organise training courses on a pilot basis. The Labour Department (LD) will strengthen employment support services for mature job-seekers and encourage employers, through publicity and other means, to build an age-friendly working environment. The specific measures are set out at **Annex B**.

7. Providing a monthly on-the-job training allowance of up to \$3,000 for three to six months, the Employment Programme for the Middle-aged provide incentives to employers to hire persons aged 40 or above, including elderly workers. In the second half of 2015, LD will extend the programme to cover part-time jobs, so as to encourage employers to provide more part-time employment opportunities to promote elderly employment.

Strengthening Child Care and After-School Care Services and Enhancing Employment Support Services for Women

8. To support parents, including single parents, who are unable to take care of their children temporarily because of work or other reasons, the Government has been providing subsidies to NGOs to run a variety of child care services for children below the age of 6. To remove the barriers for women to enter or stay in employment and to further respond to the community demand for child care services, the Government will launch a series of measures to enhance child care services helping women balance their work and family commitments, including –

- (a) from 2015-16 onwards, increasing, by phases, the provision of places of Extended Hours Service (EHS) at aided child care centres and kindergarten-cum-child care centres in districts with high demand, thus increasing the total provision of such EHS places from about 1 200 to over 6 200 places, representing a fourfold increase. This could help alleviate the pressure on working parents by allowing more needy pre-primary children (aged below 6) to remain in the service units that they attend for longer hours to receive care;
- (b) in 2017-18, providing about 100 additional aided long full-day child care places for children aged below three;
- (c) inviting NGOs to establish work-based child care centres through

the Special Scheme on Privately Owned Sites for Welfare Uses (Special Sites Scheme). 2 NGOs have responded positively proposing to provide a total of about 100 self-financing places. The Government will also explore, on a pilot basis, the feasibility of providing about 100 NGO-operated child care places for staff members in the proposed Government Complex in Tseung Kwan O;

- (d) providing resources for aided standalone child care centres and service units providing Occasional Child Care Service and EHS to enhance supervisory and administrative support; and
- (e) launching a pilot project to help grandparents become well-trained child carers in a home setting in order to strengthen the support to nuclear families.

9. The Government will also commission a consultancy study in 2015-16 to advise on the long-term development of child care services with a view to providing services that meet the needs of the families in Hong Kong.

10. In respect of after-school care services, supportive after-school care services have been provided by NGOs for children aged 6 to 12 so that children whose parents are unable to care for them during after-school hours owing to work, job-search or other reasons could receive proper care. Through the Fee Waiving Subsidy Scheme for After School Care Programme, SWD provides assistance to needy families by waiving or reducing the fee of after-school care services. The Government will continue to strengthen the After School Care Programme by extending the service hours on weekday evenings, Saturdays, Sundays and school holidays in some after-school care centres and provide additional fee-waiving and fee-reduction quotas. From December 2014 onwards, SWD has been providing subsidies to 34 after-school care centres to set up the above-mentioned enhanced services, providing a total of 299 full fee-waiving places.

11. In addition, the Government has earmarked \$200 million as dedicated fund under the Partnership Fund for the Disadvantaged, providing matching grants to encourage the business sector and organisations to work with schools to launch more after-school learning

and support programmes for primary and secondary school students from grassroots families to facilitate their whole-person development.

Preparing for the Implementation of Low-income Working Family Allowance (LIFA)

12. The Government is earnestly taking forward the preparatory work for the implementation of LIFA following the funding approval of the Legislative Council Finance Committee on 16 January 2015. The scheme recognises that single-parents would generally have less family support in taking care of their children. As such, the working hour requirement applicable to single-parents is substantially lower than that for other LIFA applicants (the two-tiered working hour threshold would be lowered from 144 hours to 36 hours for receiving \$600 Basic Allowance and from 192 hours to 72 hours for receiving \$1,000 Higher Basic Allowance).

Employment Support Services for Grassroots Families in general

13. In addition to measures that target at specific social groups, there are also measures that seek to provide employment support for multi-social groups or grassroots families in general in order to help their family members to enter into or rejoin the labour market. These measures are set out in the following paragraphs.

New Training Course and Support Services

14. ERB will provide new courses and support services to further gear towards the needs of different social groups who may be members of grassroots families. Specific measures include:

- (a) providing 1 300 designated training places for new arrivals in 2015-16, including organising skills training courses (such as physiotherapy) to attract enrolment of new arrivals with higher academic qualifications and professional experience;
- (b) providing 800 designated training places for ethnic minorities in 2015-16 and conducting courses in support centres for ethnic

minorities under the Home Affairs Department on a pilot basis to facilitate attendance of ethnic minorities;

- (c) organising courses on self-employment as well as food and beverage production, etc for persons with disabilities in 2015-16; and
- (d) providing more in-demand programmes under the Modular Certificates Accumulation System to enable trainees to obtain full-time course certificates upon completion of a number of specified half-day or evening courses. This will allow trainees who are unable to pursue full-time courses due to work or family commitments to make flexible arrangement for further studies and acquire recognised qualifications. It will be launched in the second quarter of 2015.

Providing Family-friendly Working Arrangements

15. Family-friendly working arrangements can help working couples balance family and work commitments, and LD has been promoting family-friendly employment practices (FFEP) through a wide range of publicity channels and various educational and promotional activities. Employers are encouraged to provide their employees with benefits that are more favourable than the statutory requirements and provide them with flexible and varied work arrangements and support having regard to the company size, resources and culture as well as employees' needs. Suggested FFEP include introducing part-time jobs, work from home, job sharing and flexitime arrangements, implementing five-day work week, granting special casual leave and providing child care services and counselling services on stress or emotional management to employees.

16. In 2015-16, LD will enhance its publicity and education efforts by publishing a series of news supplements on enterprises with successful experiences in implementing FFEP. The series will be compiled into a casebook for related parties to encourage more employers to adopt FFEP. Furthermore, apart from the existing general guidelines on FFEP, LD is now collaborating with employers and employees in the catering industry to devise industry-based practical guidelines in implementing FFEP for reference of employers in the catering industry. The Government will continue to promote family-friendly work arrangements with a view to

cultivating a family-friendly culture so as to facilitate employment for women and employees with family commitments.

Subsidising Social Enterprises and Non-Government Organisations for Training Places

17. As recommended by the Social Enterprise Advisory Committee, the Home Affairs Bureau (HAB) will implement a new scheme to provide subsidies for social enterprises and non-government organisations (NGOs), which will offer a total of about 2 000 to 3 000 on-site training places for persons with disabilities and other groups in need, including the elderly and ethnic minorities, to enhance their employment prospect. HAB is working out details of the scheme in consultation with stakeholders, with a view to rolling out the funding scheme in the second half of 2015.

Advice Sought

18. Members are invited to note and comment on the content of this paper.

**Labour and Welfare Bureau
Labour Department
Social Welfare Department
Home Affairs Bureau
April 2015**

Specific Measures and Services to Promote Employment of Persons with Disabilities

Legislative Measures

The Disability Discrimination Ordinance (Cap. 487) is in place to provide persons with disabilities the legal safeguards for equal opportunities and to protect them against discrimination, harassment and vilification in employment and other areas.

Vocational Rehabilitation Services

2. For persons with disabilities who are not yet able to take up open employment, the Social Welfare Department (SWD) provides various vocational rehabilitation services such as Sheltered Workshop, Supported Employment, Integrated Vocational Rehabilitation Services Centres and Integrated Vocational Training Centres. With appropriate vocational training in a specially designed work environment, persons with disabilities can learn to adapt to work requirements, develop social skills and relationships, and prepare for potential advancement to supported and open employment.

3. With the subvention of the Labour and Welfare Bureau, the three Shine Skills Centres (the Centres) run by the Vocational Training Centre offer a range of vocational training courses and services for persons with disabilities aged 15 or above to enhance their employment prospects and facilitate their integration into society. These include training courses on commerce, information technology and service industry, etc. In addition, career guidance services are provided by vocational counsellors and social workers in the Centres. The services include sourcing career opportunities for trainees, provision of career support in the first six months of employment to help graduates settle in their workplace, and ongoing support thereafter for individuals on a need basis. The Centres also provide technical aids and workplace equipment for trainees in need with a view to helping them overcome obstacles in the work environment. Besides, the Employees Retraining Board (ERB) provides dedicated training courses for persons with disabilities. In 2015-16, ERB will organise courses on self-employment as well as food and beverage

production, etc. for persons with disabilities.

On the Job Training Programme for People with Disabilities and Sunnyway - On the Job Training Programme for Young People with Disabilities

4. The On the Job Training Programme for People with Disabilities and Sunnyway - On the Job Training Programme for Young People with Disabilities are administered by SWD. Proactive training is provided to persons with disabilities enrolled under each of the two programmes so as to enhance their employability and work opportunities, and encourage the participation of employers through the provision of job trial subsidy. SWD has enhanced both schemes since July 2013 by increasing the job attachment allowance and job trial wage subsidy thereunder. The job attachment allowance has been raised from \$1,250 to \$2,000 per month, and the cap of job trial wage subsidy has been raised from \$3,000 to \$4,000 per month with the maximum subsidy period extended from three months to six months.

Employment Services for Persons with disabilities

5. For job seekers with disabilities who are fit for open employment, the Selective Placement Division (SPD) of the Labour Department (LD) provides them with free and personalised employment support services. The Placement Officers offer persons with disabilities employment counselling, conduct job matching and referrals, and follow-up service upon their placement in employment. SPD also provides free recruitment service to employers in the private sector for employing persons with disabilities. In 2015-16, LD will enhance the post-placement follow-up service provided for job seekers with disabilities by extending the service period from three months to six months. During the follow-up period, placement officers will keep in view the work progress of the employees with disabilities by maintaining closer contacts with them to help them adapt to their work as soon as possible. Placement officers will also provide more intensive support services for employers to assist them better understand the special needs of their employees with disabilities and help both parties build up good working relationship.

Specialised Employment Programme for Persons with Disabilities

6. To enhance the employability and employment prospects of the persons with disabilities, LD implements the Work Orientation and Placement Scheme (WOPS) which encourages employers to employ persons with disabilities and provides them with coaching and support through the provision of an allowance. Under WOPS, employers may receive a monthly allowance equivalent to two-thirds of the actual salary paid to the employee, subject to a ceiling of \$4,000, for a maximum period of six months.

7. Since June 2013, WOPS has been enhanced with the introduction of a two-month work adaption period. An eligible employer who employs a person with disabilities having employment difficulties, and provides him/her with training, support and mentorship, is entitled to a monthly allowance equivalent to the amount of actual salary paid, less \$500 per month, subject to a ceiling of \$5,500, in the first two months of employment. Afterwards, the employer may continue to receive the allowance mentioned in paragraph 6 above.

“Enhancing Employment of People with Disabilities through Small Enterprise” Project

8. SWD implements the “Enhancing Employment of People with Disabilities through Small Enterprise” Project (3E’s Project). Through payment of grants as seed money to non-governmental organisations (NGOs), the 3E’s Project supports the setting up of small enterprises / businesses by NGOs so as to create employment for persons with disabilities and provide them with genuine employment in a carefully planned and sympathetic work environment. For the purpose of direct creation of job opportunities for persons with disabilities, at least half number of the employees of the funded businesses should be persons with disabilities. Each funded business will be offered a grant not exceeding \$2 million to meet the set-up capital cost and the operating loss incurred in the first three years of operation of the business. The business is expected to become self-sustaining after the funding period.

Support Programme for Employees with Disabilities

9. SWD launched the programme in June 2013. It provides subsidies to employers of persons with disabilities for procurement of assistive rehabilitation devices and/or workplace modifications to facilitate the work of employees with disabilities and to enhance their work efficiency. Employers of persons with disabilities may apply for a one-off subsidy up to \$20,000 for each employee with disabilities. The scheme was enhanced since April 2014, including raising the maximum support level of \$40,000 for procurement of a single assistive device and its essential accessories.

Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme

10. In September 2013, the Labour and Welfare Bureau (LWB), in collaboration with the Rehabilitation Advisory Committee, The Hong Kong Council of Social Service and the Hong Kong Joint Council for People with Disabilities, launched the Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme (the Charter Scheme) to mobilise the Government, private sector, public and subvented bodies to make collective efforts to promote the employment of persons with disabilities through a host of sustainable measures commensurate with their modes of operation.

11. Participating organisations of the Charter Scheme may implement measures including: employing persons with disabilities and formulating corporate policies and measures on employment of persons with disabilities; publishing periodically in corporate publications/publicity materials on the number of employees with disabilities and on measures or indicators pertaining to the employment of persons with disabilities; providing a barrier-free working environment and assistive devices for employees with disabilities; participating in various on-the-job training and support programmes for persons with disabilities; using products or services provided by rehabilitation social enterprises and suppliers employing persons with disabilities; building an inclusive workplace through assisting persons with disabilities in mastering job skills and adapting into the work environment; and setting aside shops or stalls for social enterprises or self-employed persons with disabilities to operate their businesses, etc. The participating

organisations are required to review the effectiveness of their measures, report progress to LWB annually and introduce additional measures as and when appropriate.

12. In collaboration with Radio Television Hong Kong, LWB held a television variety show cum award presentation ceremony on 6 September 2014, whereby employers and employees of the organisations participating in the Charter Scheme shared their experience in promoting employment of persons with disabilities. A total of 136 organisations, which included 36 Government bureaux and departments and 100 non-governmental / private organisations, received awards in recognition of their efforts and achievements in implementing the Charter Scheme.

13. We will continue to promote the Charter Scheme, which is consistent with Hong Kong Special Administrative Region's obligations under the United Nations Conventions on the Rights of Persons with Disabilities which has been applied to HKSAR since August 2008, in particular Article 8 of the Convention (which provides for the promotion of awareness throughout the society on the capabilities and contribution of persons with disabilities to the workplace and labour market, etc) and Article 27 (which provides for recognition of the rights of persons with disabilities to work and employment).

14. The Government will continue to work with the Rehabilitation Advisory Committee and the Special Needs Groups Task Force under the Commission on Poverty to explore other initiatives to promote employment of persons with disabilities.

Specific Measures to Promote Employment of Mature Persons

To strengthen employment support for mature persons, the Labour Department (LD) will implement a series of measures in 2015-16. These measures include organising employment briefings that serve the needs of mature job seekers to assist them in better understanding the latest situation of the employment market and improving their job search skills; setting up a dedicated webpage for mature persons under the “Interactive Employment Service” website and enhancing the functions of the vacancy search terminals to facilitate their access to employment information and looking for vacancies; strengthening the liaison and cooperation with the non-governmental organisations serving mature persons to promote LD’s employment services and special employment projects through the organisations and refer mature persons having employment needs to LD’s services; and organising large-scale thematic job fairs for mature persons and experience sharing sessions on elderly employment for employers to encourage hiring of mature workers.

2. On the other hand, employers are encouraged to adopt friendly employment practices for mature persons at workplaces, having regard to the individual circumstances of their companies through various publicity channels and a wide range of educational and promotional activities. These include staging roving exhibitions across the territory, publishing a series of news supplements on enterprises to share their successful experiences in actively engaging mature persons, issuing publications, broadcasting Announcements in the Public Interest, and publicising relevant messages through different employers’ networks.

3. The Employment Programme for the Middle-aged will be extended to part-time jobs in the second half of 2015 so as to encourage employers to provide more such employment opportunities that may be more suitable for mature job seekers. The amount of training allowance applicable to part-time jobs will be equivalent to 25% of the employees’ monthly salary, up to \$3,000 per month, for a period of three to six months.