



Labour Department (Headquarters)

勞工處 (總處)

Your reference 來函編號 : CB4/PAC/R72
Our reference 本處檔案編號 : ES 10/2/114
Tel. number 電話號碼 : 2852 4102

3 June 2019

Mr Anthony CHU
Clerk to the Public Accounts Committee
Legislative Council
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear Mr CHU,

Public Accounts Committee

Consideration of Chapter 3 of the Director of Audit's Report No. 72

Employment services provided by the Labour Department

Thank you for your letter dated 21 May 2019 to the Secretary for Labour and Welfare on the captioned subject. This department has been authorised to reply. At the Committee's request, we provide the required information in Annexes 1 and 2.

Yours sincerely,

(Charles HUI)

for Commissioner for Labour

c.c. Secretary for Labour and Welfare (Attn: Mr Dominic CHOW)
Secretary for Financial Services and the Treasury
(Attn: Ms Kinnie WONG)
Director of Audit (Attn: Mr PANG Kwok-sing)

**Public Accounts Committee of the Legislative Council
Consideration of the Director of Audit's Report No. 72 (Audit Report)
Chapter 3: Employment Services provided by the Labour Department**

Information provided in response to the letter of 21 May 2019 (Appendix I)

Part 1: Introduction

(a) Manpower deployment and expenditure on providing employment services (Table 2 in paragraph 1.8 of the Audit Report)

The Labour Department (LD) strives to provide effective and convenient employment and recruitment services for job seekers and employers. Furthermore, to meet the employment needs of various groups with special needs, and in view of the local economic and employment situation, LD has been reviewing its employment services and launching a series of measures to promote the employment of job seekers and to assist employers in recruiting staff. In the past five years, through internal deployment of resources, LD has introduced various new initiatives and enhancement measures, including implementation of the Employment Services Ambassador (ESA) Programme for Ethnic Minorities (EMs), launching various pilot employment projects under the Youth Employment and Training Programme (YETP), extending the Employment Programme for the Middle-Aged (EPM) to cover part-time jobs, providing emotional and psychological counselling service for job seekers with disabilities, engaging employment assistants proficient in EM languages to provide employment services, implementation of "Career Kick-start", etc. Having regard to changes in the economic and labour market situation, LD will continue to review and implement employment and recruitment services that meet the needs of job seekers (including those special needs groups) and employers (including those from industries with recruitment difficulties), and ensure the cost-effectiveness of those services.

Part 2: General employment services for all job seekers

(b) Number of unemployed persons and registered job seekers (Figure 1 in paragraph 2.8 of the Audit Report)

2. Concerning Figure 1 in paragraph 2.8 which shows the number of unemployed persons and registered job seekers from 2008 to 2017, the information sought is provided as follows:

- (i) Unemployed persons and registered job seekers broken down by age group from 2008 to 2017, unemployed persons in 2011 and 2016 as well as registered job seekers from 2010 to 2017 broken down by ethnicity are at Appendix 1. The breakdown of unemployed persons by ethnicity is based on the results of the 2011 Population Census and the 2016 Population By-census conducted by the Census and Statistics Department (C&SD). C&SD does not have relevant statistics of other years over the above period while LD does not have the breakdown of registered job seekers by ethnicity before 2010.
- (ii) Owing to the prevailing buoyant economy and further tightening of the labour market, the overall unemployed persons in Hong Kong and the number of job seekers registered in LD have dropped accordingly. Moreover, as the vast majority of vacancies advertised through LD at present provide employers' contact details, job seekers may make use of the job vacancy information disseminated by LD through various channels to submit job application to employers directly without registering with LD beforehand. This further reduces the number of job seekers registered with LD.
- (iii) LD considers that the arrangement of allowing employers to choose to open up their contact details for job seekers' direct application and not requiring job seekers to register with LD before browsing the vacancy information and applying for the jobs not only can enhance the efficiency in disseminating job vacancy and labour market information, but also is more user-friendly for both job seekers and employers, notwithstanding that LD may not be able to capture the number of all service users.

To encourage job seekers to register with LD for employment services, an internal working group was formed in 2018, with its report completed in January 2019. The working group recommended strengthening the online application function available on the Interactive Employment Service (iES) website to attract more job seekers to register, thereby better reflecting job seekers' actual usage of LD's employment services. LD is in the process of implementing the relevant recommendations.

(c) Number of visitors to job centres and recruitment centres (Table 5 in paragraph 2.15 of the Audit Report)

3. Regarding the number of visitors to the job centres and recruitment centres from 2016 to 2018 in Table 5 in paragraph 2.15, the information sought is provided as follows:

- (i) Detailed breakdowns of job centres and recruitment centres in 2016 to 2018 are tabulated in Appendix 2 and Appendix 3 respectively.
- (ii) For general employment services provided by LD (including the job centres and recruitment centres), the number of able-bodied job seekers registered and the number of placements have been used as performance indicators in the Controlling Officer's Report of LD.
- (iii) At present, LD helps job seekers find work in the district and employers recruit staff through a network of 13 job centres across the territory. While the pattern of using LD's employment services may vary among job seekers in different districts, LD considers it necessary to maintain these 13 job centres so as to provide convenient employment services and support to job seekers in respective districts, in particular those with special employment needs and those who do not use LD's online employment services. Given the application of technology and tight labour market situation, job centres have transformed from solely providing employment information and referral service to job seekers in the past by extending to the following services:
 - Providing employment advisory service to job seekers with special needs through exploring with the job seekers their employment needs, assisting them to improve job-seeking techniques, providing them with latest information on the labour market and training/retraining courses, and undergoing career aptitude assessments as appropriate;
 - organising employment briefings to help job seekers better understand the current labour market situation and master job interview techniques;
 - organising district-based job fairs to help employers recruit staff and facilitate placements of job seekers in the vicinity of their residences;
 - providing employer-based job placement service by

matching suitable job seekers for the employers based on the criteria set by the employers;

- organising experience sharing sessions for employers to promote the recruitment and employment services of LD, encourage employers to engage the elderly, new arrivals and EMs, exchange views with employers on the current job market, and provide a platform for employers to share and exchange views on their recruitment needs, recruitment strategies and employment issues; and
- establishing network with employers in the district to canvass job vacancies for job seekers, as well as handle enquiries and complaints from job seekers and the public on the job vacancies advertised through LD.

LD will continue to review the services of job centres from time to time and, having regard to changes in the labour market, implement improvement measures to meet the needs of both job seekers and employers.

The recruitment centres also strive to provide the most appropriate employment and recruitment services to job seekers and employers. LD constantly reviews the effectiveness of these recruitment centres' services through monitoring the usage of and response to the recruitment activities, etc. LD also keeps in view changes in the economic and employment market, and listens to the views of the industries and service users, so as to continuously improve and enhance the services of the recruitment centres to meet the needs of job seekers and employers.

In view of the drop in number of job seekers attending job fairs at the Recruitment Centre for the Catering Industry and the Recruitment Centre for the Retail Industry, LD, in April 2018, reviewed the performance of these two recruitment centres. In the review, LD has mapped out strategies targeting different stakeholders of these two recruitment centres to tackle the situation in the light of the tight labour market. Relevant measures were gradually implemented in the second half of 2018.

- (iv) These two recruitment centres provide free and one-stop recruitment and employment service to both employers and job seekers in the two industries. Unlike job centres which provide a wide range of employment services, the major function of the two recruitment centres is to provide a venue for employers to

conduct on-the-spot interviews with job seekers, and their visitors are mainly job seekers attending the job fairs. Thus, it is more appropriate to refer to “the number of on-the-spot interviews arranged” in assessing the performance of these two recruitment centres.

(d) Job fairs organised by recruitment centres (Table 7 in paragraph 2.27 of the Audit Report)

4. As regards Table 7 in paragraph 2.27 on the major statistics of job fairs organised by recruitment centres, the information sought is provided as follows:

- (i) Due to their relatively unattractive employment terms and working conditions, the catering and retail industries all along have their respective recruitment difficulties. The manpower demand of the construction industry is also affected by factors including the economic environment, the quantity and progress of construction works, etc. The relatively unpleasant working environment also hampers new blood from joining the construction industry. The aforesaid factors contribute to the recruitment difficulties faced by employers from these three industries, and the situation is worsened in a tight labour market when various industries are scrambling for labour, and inevitably affecting the performance of the recruitment service.

The recruitment service provided for the industries concerned by the three recruitment centres is only one of the numerous recruitment channels used by employers in these industries. In 2018, the three recruitment centres arranged a total of over 18 000 on-the-spot interviews for job seekers and employers participating in the centres’ job fairs. This is not a small number, particularly under the 20-year low unemployment rate of 2.8% in 2018. Judging from the active participation of employers in the recruitment activities, joining job fairs held in the recruitment centres is still an effective way of recruiting staff.

To provide employers in the industries with appropriate recruitment service, measures targeting employers and job seekers respectively have been undertaken by the recruitment centres to enhance the effectiveness of job fairs and achieve more placements. For employers, the recruitment centres provide them with the latest market information and encourage them to

improve their employment terms to match up with the market situation, thereby increasing the attractiveness of the vacancies and improving the placement rates of job fairs. Besides, the recruitment centres encourage employers to recruit persons with special employment needs, such as EMs, elderly and middle-aged job seekers, etc. to attain more placements. For job seekers, the recruitment centres actively contact training bodies/trade unions and encourage them to refer trainees who have completed relevant training to participate in job fairs of the recruitment centres, so as to assist employers to recruit more qualified job seekers.

- (ii) The three recruitment centres operate from 9:00 am to 5:30 pm on Monday to Friday and 9:00 am to 12:00 noon on Saturday (closed on Sunday and public holidays). The recruitment centres are equipped with independent interview rooms for employers to conduct on-the-spot interviews with job seekers. Through organising job fairs, the recruitment centres provide a free and convenient recruitment platform for employers and job seekers of the catering, retail and construction industries and promote the efficiency of job seeking and recruitment.

Before staging the job fairs, participating employers are required to submit vacancy information in advance. Recruitment centre staff will scrutinise the information submitted to ensure that it fulfills all relevant statutory requirements. The vetted information will be released through the iES website and its mobile application, etc. Interested job seekers can contact the recruitment centres in advance to make interview appointments.

During the job fairs, participating employers have to assign their staff to conduct on-the-spot interviews with job seekers, while recruitment centre staff provide administrative support such as assisting job seekers in registration and arranging registered job seekers to attend the interviews.

To attract more job seekers to visit the recruitment centres and apply for suitable vacancies, the recruitment centres widely publicise their job fairs through the iES website, stakeholders (including non-governmental organisations (NGOs), training bodies and trade unions, etc.) and other channels (including by post, email and SMS, etc.). Besides, the recruitment centres stage promotion campaigns through different media and channels

(including public transport, newspapers and their mobile applications and webpages, social media as well as radio Announcements in the Public Interest, etc.) to promote and encourage more job seekers and employers to use the services of the recruitment centres.

- (iii) Weekends are usually the peak business hours of the catering and retail industries, during which employers and employees are in general tied up and thus unable to participate in recruitment activities. On the other hand, unemployed persons do not necessarily need to attend job fairs at weekends. As for the Construction Industry Recruitment Centre, LD has been staging job fairs on individual Saturdays, depending on the need and availability of manpower.
- (iv) The growing popularity of LD's online employment service, coupled with the tightening of the labour market in recent years, resulted in the decreasing number of registered job seekers. Nevertheless, employers are still keen on LD's recruitment service in the time of buoyant employment market. For example, the waiting time of employers in the catering and retail industries to participate in job fairs held in the recruitment centres remains at three to six months, and LD has not reduced the number of these job fairs. Hence, sufficient manpower is required to cope with the recruitment need of employers, assist them in filling the vacancies, and launch more promotional activities in view of the decreasing number of job seekers.
- (v) Other than having set up recruitment centres for the catering, retail and construction industries, LD keeps tabs on the employment market and in the light of the manpower demand and supply of individual industries, LD meets the recruitment needs of various industries through organising large-scale, district-based and thematic job fairs, etc.

The Government operates various schemes for employers to apply for importation of labour on account of their actual operational circumstances so as to supplement skills not readily available in the local labour market and sustain the competitiveness and development needs of Hong Kong. Depending on the skill levels and/or educational requirements of the job vacancies concerned, employers may apply to the Immigration Department for admission of professionals or to LD

for importation of workers at technician level or below under the Supplementary Labour Scheme.

Relevant government bureaux and departments will closely monitor the manpower demand and supply of different sectors, as well as enhance training and attract new recruits. On the premise of safeguarding the employment priority of local workers, the Government will explore with stakeholders the possibility of increasing imported labour on an appropriate and limited scale.

(e) Number of visits and page views of iES website (Paragraph 2.33 of the Audit Report)

5. We consider that the drop in the visits/ page views of the iES website in the past few years was mainly attributed to the increasing use of smartphones and mobile devices, changing mode of disseminating information on the web coupled with the generally tight labour market and a corresponding decline in the number of unemployed persons. As announced in the 2018 Policy Address, LD will strengthen the dissemination of job vacancy information on the iES website. LD will also continue to enhance the design and functionality of the website (e.g. strengthening its function of online application, improving its layout design, enriching the content of its dedicated webpages, etc.) so as to provide employment information and online employment services more effectively and better user experience.

(f) Target users of the iES mobile app

6. The primary objective of launching the iES mobile app is to provide a user-friendly platform for job seekers to search job vacancies through smartphones and mobile devices anytime and anywhere. On the other hand, the online function most frequently used by employers is submission of job vacancy information for publication on the website. When filling in LD's Vacancy Order Forms, employers are requested to input detailed data with high precision and tick various options. Constrained by the size of its interface, mobile app may not be the most suitable platform for employers to complete the relevant process. LD will continue to review the operation of its online employment services to cater for the needs of both job seekers and employers.

(g) Direct and indirect placements (Paragraph 2.45 of the Audit Report)

7. Taking LD's reply to Question serial number 7410 raised by the Finance Committee of the Legislative Council for the examination of estimates

of expenditure in 2019-20 as an example, LD has clearly indicated in the reply that:

“In 2014, 2015, 2016, 2017 and 2018, LD respectively recorded 151 536, 148 347, 149 794, 154 222 and 136 079 placements for able-bodied job seekers. Of these, 136 334, 134 307, 137 286, 144 377 and 128 292 placements were made through job seekers’ direct application to employers who advertised vacancies via LD, and the figures were obtained through LD’s periodic sample surveys with employers.”

8. As the above-mentioned sample surveys conducted by LD do not involve detailed personal particulars (such as age, background) of job seekers who secured placements through direct application (these placements were named as “indirect placements” in the Audit Report), LD does not have breakdowns of these placements.

Part 3A: Employment services for young job seekers

(h) Unemployment rate of young people (Paragraph 26 of Annex to R72/3/GEN1)

9. With the development of Hong Kong into a knowledge-based economy, some employers tend to raise their requirements on the work experience of job seekers. Hence, young people aged 15 to 24 with less work experience will encounter greater difficulties in job seeking. Other factors such as higher job mobility and longer time in waiting for and seeking jobs also contribute to a youth unemployment rate higher than the overall figure. This phenomenon, common in many economies, is particularly prominent among young school dropouts aged 15 to 19 with low educational attainment, upon their first entering the labour market.

YETP

(i) Amount of on-the-job training (OJT) allowance (Paragraph 3.6(d) of the Audit Report)

10. Employers who provide OJT to trainees under YETP are entitled to OJT allowance which is 50% of the trainee’s monthly salary, subject to a ceiling of \$4,000 per month. The total amount receivable is related to the duration of OJT period which ranges from 6 to 12 months depending on the work nature, industry and training contents of the posts offered. The training allowance

****Note by Clerk, PAC: Please see Appendix 7 of this Report for R72/3/GEN1.***

granted to employers under YETP in financial years 2015-16, 2016-17 and 2017-18 were \$52.6 million, \$57.3 million and \$54.5 million respectively.

11. The ceiling of monthly OJT allowance under YETP was last adjusted upward from \$3,000 to \$4,000 on 1 September 2018. For the time being, LD has no intention to make further adjustment. LD reviews YETP from time to time, keeps in view the employment market of young people and will consider further enhancement measures as and when appropriate to strengthen the employment support to young people.

(j) Number of target young people (Table 11 in Paragraph 3.10 of the Audit Report)

12. “Target young people” as stated in Table 11 in paragraph 3.10 refers to unemployed young people who are aged 15 to 24 with educational attainment at sub-degree level or below, and thus eligible to join YETP. With reference to figures for 2012 to 2017 provided by C&SD, there was a continuous decline in the number of young persons aged 15 to 24 and in 2017, the year-on-year decrease was 3.6%. Concurrently, the number of unemployed young persons aged 15 to 24 plummeted by 17.4%. The decreases were record high for both figures. With a shrinking youth labour force and an overall unemployment rate staying at a low level in recent years, there were more job opportunities and young people could secure employment on their own more easily. Economic factors aside, increased education and training channels for secondary school leavers also affected the demand for YETP across the years.

(k) Promoting job vacancies of different industries to young people (Table 7 in paragraph 2.27 and Table 11 in paragraph 3.10 of the Audit Report)

13. LD operates three recruitment centres to provide free and one-stop recruitment and employment services for employers and job seekers in the catering, retail and construction industries. According to LD’s experience, young people are keen to look for jobs best suiting their interests and abilities, while some are more attracted to the work environment and nature of white-collar jobs or opportunities in the commercial sector. LD will, through YETP, continue to assist young people to gain a comprehensive understanding of the labour market, keep their options open to a wider range of jobs and pursue their career goals in accordance with their aspirations and abilities. In close collaboration with service providers, a variety of thematic job fairs and employment projects will be arranged to promote the relevant job vacancies to young people.

(l) Pre-employment training courses (Paragraph 3.14 of the Audit Report)

14. In connection with YETP pre-employment training courses in paragraph 3.14, the information sought is provided as follows:

- (i) The enrolment rates of some less popular courses were low as there was a drop in the number of young people joining YETP. Nevertheless, LD will continue to offer sufficient number and variety of training courses, including those types of low patronage, to meet the interests and needs of YETP trainees and to cater for any possible upsurge in demand for courses due to unexpected downturn of economy. Regular meetings were held with service providers for exchange on course arrangements and measures to enhance course attractiveness. With built-in flexibility in the existing contract provisions, service providers were encouraged to conduct half-day courses, schedule courses on Saturdays and Sundays, adjust the training hours and the number of training days so as to increase enrolment.
- (ii) As per the service contracts for provision of pre-employment training for YETP trainees between LD and the service providers, LD only needs to pay service fees for successfully held courses. The amount payable is normally determined by the service fee per trainee submitted by the service providers in their tenders and attendance of the training class, subject to the relevant contract terms and conditions of different training courses.

(m) Completion of OJT (Table 15 in paragraph 3.23 of the Audit Report)

15. Among the 1 031 OJT cases of the Programme Year (PY) 2016/17 with pre-mature termination, the numbers of resignation and dismissal cases were respectively 895 (87%) and 136 (13%). The underlining reasons for trainees resigning were multi-faceted, including unsuitable job nature, having found other jobs, looking for a change in work environment and further studies, while dismissals were mainly related to trainees' work performance and attitude. Posts with 9-month OJT mainly cover tour coordinators/ticketing clerks, property management workers and merchandisers. In PY 2016/17, as the number of such cases (198) was much smaller than those of 6-month (544) and 12-month (1 860), its smaller base are prone to higher fluctuations in termination rate. The buoyant labour market and high turnover rate of the relevant industries also contributed to more premature termination cases for this category.

(n) Enhancement measures

16. YETP conducts course evaluation survey with trainees for all pre-employment training courses held. According to the surveys conducted on different course types for PY2017/18, the overall satisfaction score for the courses was 4.1 (out of full mark of 5) on average. Service providers were informed of the results of the survey to facilitate their arranging courses of better quality, and their respective scores would be taken into account by LD for assessment of their future tenders for pre-employment training courses.

17. Moreover, half-yearly surveys on trainees completing OJT and their employers are conducted to gauge their views for betterment of OJT arrangements. According to the latest survey conducted in March 2019, over 95% of the employers considered that OJT could enhance competitiveness of trainees and over 80% of the trainees found OJT useful in nurturing good work habits, acquiring the relevant work skills and knowledge, developing inter-personal relationships as well as building up self-confidence.

(o) Follow-up services for OJT

18. Young people very often need to adjust their mindset and attitude and acquire interpersonal skills in order to navigate the transition from school to work and match up with the change in roles. Registered social workers, with their expertise and professional training, are thus best tasked to act as trainees' case managers for the provision of career guidance and advice to enhance their employability.

19. While YETP trainees undergoing OJT could acquire the work skills and knowledge from their employers and experienced staff appointed by the employers as mentors, case managers could provide post-employment support to trainees such as assisting them to settle in at their jobs, overcome problems at workplace as well as pursue further learning and skills upgrading opportunities. During the OJT period, case managers keep close contact with employers and trainees and provide appropriate follow-up services to suit their needs.

(p) Written complaints

20. From 2016 to 2018, a total of six written complaints were recorded by the Youth Employment Division (YED) of LD. Among them, three were related to administrative arrangements, two on staff manners and one on OJT. All of them were settled upon follow-up. When handling complaints, YED takes into consideration the nature of the complaints, the circumstances of the cases as well as requests by the complainants. Appropriate follow-up actions will be taken for areas of service improvements identified.

Part 3B: Employment services for elderly and middle-aged job seekers

Employment Programme for the Elderly and Middle-aged (EPEM)

(q) Employers' participation in the programme (Table 18 in paragraph 3.46 and Table 19 in paragraph 3.49 of the Audit Report)

21. We observed that there has been a noticeable increase in the number of employed persons aged 60 or above in the past ten years, indicating that an increasing number of people in this age group were still active in the labour market, and more and more employers were willing to hire them. EPEM aims at encouraging employers who have concerns over the hiring of the elderly and middle-aged to engage unemployed elderly and middle-aged job seekers and provide them with OJT through the provision of OJT allowance. LD actively invites the employers of each eligible placement case to apply for the OJT allowance under EPEM. However, some employers did not apply for the OJT allowance due to various reasons. For example, they chose to absorb the training costs by their own resources or the employees left employment within a short period. Since these employers actually had already employed the elderly or middle-aged job seekers, whether they applied for the OJT allowance would be of secondary importance.

(r) Enhancement measures

22. To reflect the new initiative of EPM on encouraging employment of elderly persons, LD launched the enhanced programme and renamed it as EPEM in September 2018. Employers engaging job seekers aged 60 or above who are unemployed or have left the workforce in a full-time or part-time job are offered a monthly OJT allowance up to \$4,000 per employee for a period of 6 to 12 months under EPEM.

23. Since the implementation of enhancement measures under EPEM, LD issued a total of 438 approvals-in-principle for those OJT allowance applications received during September 2018 to March 2019 (increased by 64% as compared to the figure in the same period a year before), involving 111 cases with job seekers aged 60 or above (increased by 200% as compared to the figure in the same period a year before).

24. As the OJT period under EPEM of job seekers aged 60 or above lasts for 6 to 12 months and the OJT allowance will be granted to employers in a lump sum upon completion of the whole OJT period, quite a proportion of cases received after the implementation of enhancement measures have not completed the OJT nor been granted the allowance yet.

(s) Amount of OJT allowance

25. The enhanced EPEM launched in September 2018 has significantly increased the OJT allowance for engaging each job seeker aged 60 or above, from the original ceiling of \$18,000 (6 months x \$3,000 allowance per month) to a maximum of \$48,000 (12 months x \$4,000 allowance per month). Since the enhancement measures have only been implemented for a few months, LD has no plan at this stage to further increase the amount of OJT allowance.

(t) Reporting of statistics (Paragraphs 3.59 and 3.60 of the Audit Report)

26. LD has provided the number of placement cases eligible for joining EPEM and the number of applications for OJT allowance in response to the enquiries from the public, media and various concern groups. LD will continue to provide relevant information as per their requests.

Part 3C: Employment services for EM job seekers

(u) Dedicated employment services (Paragraph 3.64 of the Audit Report)

27. With regard to the dedicated employment services provided to EM job seekers in paragraph 3.64, the information sought is provided as follows:

- (i) LD conducted a review on ESA Programme for EMs in November 2015. In response to the request of the Public Accounts Committee on 2 May 2019, LD has attached the relevant review report to the reply on 19 May 2019. There is no pre-set quota on the number of ESAs for EMs.
- (ii) The pilot initiative of engaging employment assistants for EMs has been implemented since May 2017 and will last for 3 years. LD will evaluate the effectiveness of this pilot initiative and consider the way forward in the third year of its implementation after accumulating more experience of engaging the 2 employment assistants for EMs.
- (iii) LD makes arrangements with NGOs to provide interpretation services for EM job seekers who speak neither Chinese nor English. The relevant expenditure has been absorbed within the recurrent operational expenses of LD and cannot be separately identified.

(v) Registered EM job seekers (Table 24 in paragraph 3.65 of the Audit Report)

28. In 2018, there were 1 173 EM job seekers registered with LD for employment services, of whom 872 were registered for the first time¹.

(w) Increasing the number of placements (Paragraph 3.66 of the Audit Report)

29. LD will continue to strengthen the dedicated employment services for EM job seekers. In fact, we noted that there was a steady increase in the number of placements secured for EM job seekers through LD's referral service from 2014 to 2018. To further strengthen the employment support for EM job seekers, it has been announced in the 2018 Policy Address that LD will launch a pilot programme in conjunction with NGOs to provide employment services for EM job seekers through a case management approach. The initiative aims to help EM job seekers secure jobs and increase their employment opportunities. Further details of the pilot programme are set out in paragraph 36.

(x) Accreditation of qualifications and retraining support

30. The Hong Kong Council for Accreditation of Academic and Vocational Qualifications provides assessment services for individuals on qualifications awarded by granting bodies outside Hong Kong, and offers a professional opinion on whether the totality of the educational qualifications of an individual meets the standard of a particular level of qualification in Hong Kong. At present, the qualifications assessment fee for general purpose is \$2,715. Persons with financial needs (including EMs) may apply for subsidy from the Community Care Fund for conducting qualifications assessment for general purpose.

31. Moreover, Employees Retraining Board (ERB) offers dedicated courses for EMs to enhance their skills and employability. The courses cover vocational training for 10 industry categories (namely property management & security, electrical & mechanical services, construction & renovation, beauty therapy, hairdressing, social services, business, catering, hotel, and tourism), and language training including workplace Cantonese, workplace Putonghua, workplace Chinese (reading and writing), English, etc. Furthermore, ERB offers dedicated training courses for EMs on generic skills such as the application of information technology, interpersonal skills and job search skills.

¹ The above first registration figure is compiled based on the registration records currently available. For protection of personal data considerations, registration records which have lapsed for an extended period have been destroyed.

Other support measures for EMs include identification of their training and employment needs through the focus group on training, subsidy to training bodies for assisting EMs who can speak and comprehend Cantonese to attend courses for all eligible employees, as well as offering advice on employment and training by Outreaching Training Consultant, etc.

(y) Inclusive job fairs (Table 26 and Table 27 in paragraph 3.68 of the Audit Report)

32. In respect of the large-scale and district-based inclusive job fairs in paragraph 3.68, the information sought is provided as follows:

- (i) The costs for each large-scale inclusive job fair staged by LD in 2016 to 2018 ranged from about \$246,600 to \$278,600. For the district-based inclusive job fairs organised by job centres, the relevant expenditure has been absorbed within the recurrent operational expenses of LD and cannot be separately identified.
- (ii) The criteria for assessing the cost-effectiveness of inclusive job fairs include number of job fairs held, number of participating employers, number of vacancies, number of on-the-spot interviews arranged for job seekers, number of employment offers made by employers, number of employment offers accepted or declined by job seekers, etc. As inclusive job fairs welcome the participation of job seekers from different ethnicities, in assessing their cost-effectiveness, it should not be confined to EM job seekers only.

(z) Breakdown of placements (Paragraph 3.69 of the Audit Report)

33. To gauge the views of EM job seekers on the employment services of LD, LD conducted an opinion survey with registered EM job seekers from January to March 2019. Overall speaking, 90% of the surveyed EM job seekers were satisfied or very satisfied with the employment services of LD.

34. The annual number of placements recorded by LD consists of placements which were made through job seekers' direct application to employers advertising vacancies via LD. The figures were obtained through LD's periodic sample surveys with employers. As the sample surveys do not involve detailed personal particulars (such as ethnicity) of job seekers who secured placements through direct application, LD does not have breakdowns of these placements involving EM job seekers.

(aa) Employment briefings (Paragraph 3.71 of the Audit Report)

35. LD strives to provide effective and convenient employment services for job seekers (including EMs). To meet the employment needs of EM job seekers, LD has been implementing a series of dedicated employment services, including organising employment briefings. As EMs only form a small part of the overall population in Hong Kong, it will hamper the interest of persons in need if relevant employment briefings are cancelled because the number of participating EM job seekers is on the low side. LD will continue to provide employment services flexibly having regard to the needs of job seekers.

(bb) Pilot programme to provide employment services for EM job seekers (Paragraph 3.75(b) of the Audit Report)

36. LD will launch a pilot programme in conjunction with NGOs to provide employment services for EM job seekers through a case management approach so as to utilise NGOs' community network, expertise in case management and experiences in serving EMs. The commissioned NGOs have to provide one-stop employment support services for EM job seekers through a case management approach so as to reduce their barriers to employment. In addition to canvassing vacancies suitable for EMs and rendering support in their job search, these NGOs will also provide post-placement follow-up services for EMs and their employers, such as assisting the employees to adapt to the new working environment, fostering both parties' understanding of each other's work expectations and practices, etc. LD is carefully considering the views of stakeholders and drawing up other details of the pilot programme (including the performance indicators), and will conduct the tender exercise as soon as possible. The pilot programme is expected to be launched in 2020, which will be on a three-year pilot initially.

(cc) Performance indicators

37. In conjunction with the launch of the pilot programme mentioned in paragraph 36, the Employment Services Division of LD will extend the functions of its information systems to capture statistics pertinent to the provision of services for EM job seekers under the programme, and consolidate figures on relevant services provided by LD. Preparations for the enhancements are expected to commence in end-2019. The related expenditure will be absorbed within the recurrent operational expenses of LD and cannot be separately identified.

(dd) Promoting the employment of EMs to employers (Paragraphs 3.76 to 3.80 of the Audit Report)

38. Regarding paragraphs 3.76 to 3.80 on measures to promote employment of EMs to employers, the information sought is provided as follows:

- (i) LD has been proactively promoting the working abilities of EMs among employers through various channels and making ongoing efforts to canvass vacancies suitable for EM job seekers through its employer network to enhance their employment opportunities. From 2016 to 2018, LD organised six large-scale inclusive job fairs and 36 district-based inclusive job fairs at which job seekers, including EMs, could submit job applications and attend interviews with employers on the spot. LD also organised experience sharing sessions for employers, during which NGOs serving EMs were invited to brief employers on the cultures of EMs and the skills to communicate with them to enhance their understanding in this regard. In addition, since March 2015, LD has added an optional field of “Ethnic minorities are welcome for the post” in its Vacancy Order Form for employers to fill in. From 2016 to 2018, a total of 15 158 employers who advertised vacancies via LD indicated that EM job seekers were welcome to apply for the posts.
- (ii) At present, LD administers various special employment programmes such as YETP, EPEM and the Work Trial Scheme, etc. to encourage employers, through the provision of financial incentives, to take on job seekers (including EMs) with various employment difficulties and provide them on-the-job training to enhance their employability.
- (iii) An optional field of “Ethnic minorities are welcome for the post” was added to the Vacancy Order Form to facilitate employment officers to match EM job seekers to suitable jobs and encourage them to apply for the posts. Among the job vacancies advertised through LD, both the numbers and percentages of the vacancies welcoming EMs as indicated by employers were on the rise. LD will strengthen the current dedicated services for EM job seekers, and continue to actively encourage employers to engage EM job seekers. Further, LD will strength its support services for employers engaging EMs in conjunction with NGOs through the abovementioned pilot programme to be launched.

Part 3D: Employment services for job seekers with disabilities

(ee) Divisional targets

39. LD adopts a case management approach to provide intensive and personalised employment services to persons with disabilities, including accompanying the persons with disabilities in need to attend job interviews by Employment Consultants, accompanying them to report for duty on the first day of employment, and conducting post-placement follow-up visits, etc. As the aforementioned mode of service is very different from that provided to the able-bodied, it is inappropriate to make direct comparison between them. LD will set respective service targets having regard to the characteristics of clients and the service mode.

(ff) Placement rate (Paragraph 3.88 and Table 30 of the Audit Report)

40. The employment services required by job seekers with disabilities are different from those for the able-bodied or youth job seekers. LD therefore adopts a case management approach to provide intensive and personalised employment services to persons with disabilities. Besides, the job preference and expectation of persons with disabilities are also different from those of the other groups of job seekers. For example, owing to health reason, some persons with disabilities could only attend work for a short time per day or a limited number of days in a week. They tend to be more willing to accept short-term and part-time jobs. Hence, the employment figures of persons with disabilities are not directly comparable to those of other groups of job seekers.

(gg) Direct and indirect placements (Table 32 in paragraph 3.94 of the Audit Report)

41. The education level of job seekers with disabilities has been rising in recent years. Apart from seeking assistance from LD, job seekers suffering from mild disabilities and having good working capability would make direct job applications to employers. The Selective Placement Division (SPD) of LD organises different employment seminars and provide them with employment counselling to enhance their understanding of the employment market and skills on job hunting. Besides, in helping job seekers with disabilities find jobs, Employment Consultants would provide them with personalised advices on job choice and interview techniques to enhance their employability. In view of the aforementioned trend in the labour market, the proportion of indirect placements by job seekers with disabilities in the total number of placements has increased.

**(hh) Enhancing the employment services for job seekers with disabilities
(Paragraph 3.99 of the Audit Report)**

42. LD would implement measures to follow up the recommendations in the Director of Audit's Report on employment services to persons with disabilities as follows:

- To implement monitoring mechanism to track the employment status and progress of each job seeker with disabilities, and endeavor to help them find their preferred jobs expeditiously; and to follow up with those employees employed under the Work Orientation and Placement Scheme (WOPS) after completion of the allowance period, so as to assist them to stay in the same job and put their abilities to full use. The above measures will be implemented in the fourth quarter of 2019;
- Starting from 2020, LD will report separately in the Controlling Officer's Report the number of placements secured by referral service of SPD and the number of placements secured by job seekers making job applications to employers direct subsequent to the assistance provided by SPD;
- Starting from 2020, LD will announce the performance pledge statistics on the application processing time of WOPS on the Interactive Selective Placement Services website of SPD;
- To continue monitoring the effectiveness of the Pre-employment Training under WOPS and to attract more job seekers with disabilities to attend the training course by tailoring the training content to suit their training needs so as to prepare them for job search.

Labour and Welfare Bureau
Labour Department
May 2019

The number of unemployed persons from 2008 to 2017 by age group

Year	Age group						
	15-24	25-29	30-39	40-49	50-59	60 or above	Overall
2008	30 600	14 200	22 900	32 000	25 500	2 700	128 000
2009	43 500	23 100	36 500	46 900	37 800	4 800	192 600
2010	38 400	19 500	28 500	34 700	31 300	4 800	157 200
2011	29 500	16 800	23 900	27 000	25 500	4 000	126 700
2012	29 900	16 000	22 800	27 100	23 900	4 400	124 300
2013	31 700	16 600	22 400	27 900	26 700	5 700	131 100
2014	29 700	15 600	21 400	26 200	26 800	7 900	127 600
2015	34 100	15 600	20 300	26 300	25 500	7 500	129 400
2016	31 100	18 100	22 300	26 300	27 800	7 300	133 000
2017	25 700	18 800	21 600	23 300	25 900	8 200	123 400

Note: Figures may not add up exactly to the total owing to rounding.

Source: General Household Survey, Census and Statistics Department (C&SD)

Breakdown of registered job seekers of the Labour Department (LD)
from 2008 to 2017 by age group

Year	Age group						Overall
	15-19	20-29	30-39	40-49	50-59	60 or above	
2008	35 185	61 198	24 868	28 383	16 815	2 291	168 740
2009	32 098	67 563	29 212	31 372	18 646	2 577	181 468
2010	24 271	52 964	20 466	22 021	13 401	2 113	135 236
2011	15 044	42 793	16 297	18 064	11 881	2 081	106 160
2012	19 059	36 629	14 824	15 759	11 387	2 154	99 812
2013	14 948	30 294	12 428	13 110	10 056	1 912	82 748
2014	11 185	27 316	11 734	12 518	10 508	2 053	75 314
2015	9 226	23 781	10 352	11 564	10 141	2 157	67 221
2016	6 527	21 067	10 372	12 037	11 110	2 701	63 814
2017	3 732	15 065	8 213	9 777	9 745	2 701	49 233

Unemployed persons by ethnicity in 2011 and 2016

Ethnicity	Unemployed persons ⁽¹⁾	
	2011	2016
Chinese	175 646	191 905
Filipino	411	338
Indonesian	***	***
Thai	154	206
Japanese	***	165
Korean	***	116
South Asian ⁽²⁾	1 290	2 165
Indian	542	885
Nepalese	182	650
Pakistani	534	567
Other South Asian	***	***
Other Asian ⁽³⁾	119	173
White	1 307	1 170
Mixed	539	1 751
Mixed - With Chinese parent	531	1 587
Mixed - Others	***	164
Others ⁽⁴⁾	***	128
Overall	179 626	198 186

Notes: Figures exclude foreign domestic helpers.

*** Figures are not released owing to large sampling errors.

- (1) Given the lower degree of accuracy in the unemployment estimates derived from the 2011 Population Census and the 2016 Population By-census, the unemployment-related statistics of ethnic minorities are for general reference only and should be interpreted with caution.
- (2) According to the classification of territories prepared by the Statistics Division of the United Nations Secretariat, South Asian economies include India, Pakistan, Nepal, Bangladesh, Sri Lanka, Afghanistan, Bhutan, Iran and Maldives. Owing to limitations of data, figures related to “South Asians” in this table only include the first five ethnic groups.
- (3) “Other South Asian” include “Bangladeshi” and “Sri-Lankan”.
- (4) “Others” include “Black”, “Latin American”, etc.

Sources: 2011 Population Census and 2016 Population By-census, C&SD

Breakdown of registered job seekers of LD from 2010 to 2017 by ethnicity

Year	Ethnicity							
	Chinese	Pakistani	Indian	Filipino	Nepalese	Indonesian	Thai	Others
2010	134 002	284	285	170	146	109	59	181
2011	105 259	220	160	178	84	78	66	115
2012	98 831	245	185	158	98	69	67	159
2013	81 961	230	149	113	74	41	45	135
2014	74 413	313	197	101	74	40	33	143
2015	66 227	370	189	109	113	35	34	144
2016	62 771	411	192	102	112	32	30	164
2017	48 197	424	198	105	77	26	23	183

Note: LD does not have breakdown of relevant figures before 2010.

Breakdown of information on job centres of the Labour Department

2018

Job Centre / District	Hong Kong East	Hong Kong West	North Point	Kowloon East	Kowloon West	Kwun Tong	Tsuen Wan	Tuen Mun	Sheung Shui	Tai Po	Shatin	Tung Chung	Employment in One-Stop (Tin Shui Wai)
Size (m ²)	518	303	372	481.7	666	431	343.1	461	356.3	367	301	369	1 082
Rental cost (in financial year 2018-19)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$262,667	\$1,422,165	N.A.	N.A.	\$243,540	\$1,968,000
No. of staff (as at December 2018)	13	10.5	9.5	18	19	18	17	13	11	11	11	13	19.5
No. of visitors	16 335	9 164	12 636	15 964	49 832	34 996	29 115	25 997	23 386	19 053	20 105	16 983	38 846
Job fairs													
• No. of job fairs held	61	89	72	63	91	82	74	85	73	69	72	47	80
• No. of participating employers	211	89	161	126	277	296	312	292	166	207	163	199	381
• No. of vacancies involved	19 877	9 215	12 899	9 160	19 202	25 546	25 659	22 289	11 930	17 069	14 934	14 065	22 517
• No. of on-the-spot interviews arranged	2 901	525	1 151	685	3 205	2 842	2 224	1 952	1 506	2 009	1 568	1 259	3 050
• No. of employment offers made by employers	647	95	169	111	422	589	524	578	299	354	322	344	690
- No. of employment offers declined by job seekers	226	34	37	17	44	229	180	211	156	144	174	181	284
- No. of employment offers accepted by job seekers (i.e. placement)	421	61	132	94	378	360	344	367	143	210	148	163	406

2017

Job Centre / District	Hong Kong East	Hong Kong West	North Point	Kowloon East	Kowloon West	Kwun Tong	Tsuen Wan	Tuen Mun	Sheung Shui	Tai Po	Shatin	Tung Chung	Employment in One-Stop (Tin Shui Wai)
Size (m ²)	518	303	372	481.7	666	431	343.1	461	356.3	367	301	369	1 082
Rental cost (in financial year 2018-19)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$230,980	\$1,334,784	N.A.	N.A.	\$243,540	\$1,880,000
No. of staff (as at December 2018)	14	9.5	9.5	20	21	19	18	13	12	11	12	11	19.5
No. of visitors	20 952	12 062	14 729	18 564	50 871	36 737	30 937	23 521	24 638	17 589	26 818	20 308	49 801
Job fairs													
• No. of job fairs held	62	89	71	59	95	82	71	77	70	69	75	47	79
• No. of participating employers	215	89	153	116	267	258	249	261	159	201	171	194	314
• No. of vacancies involved	16 427	8 283	13 454	10 386	19 477	20 828	19 493	16 743	11 448	14 156	14 220	10 710	22 893
• No. of on-the-spot interviews arranged	4 510	874	1 536	797	2 963	3 525	2 090	2 440	1 585	3 234	1 876	1 446	3 870
• No. of employment offers made by employers	786	139	193	130	344	695	563	701	413	407	469	314	886
- No. of employment offers declined by job seekers	214	62	28	10	42	285	257	312	233	194	254	131	398
- No. of employment offers accepted by job seekers (i.e. placement)	572	77	165	120	302	410	306	389	180	213	215	183	488

2016

Job Centre / District	Hong Kong East	Hong Kong West	North Point	Kowloon East	Kowloon West	Kwun Tong	Tsuen Wan	Tuen Mun	Sheung Shui	Tai Po	Shatin	Tung Chung	Employment in One-Stop (Tin Shui Wai)
Size (m ²)	518	303	372	481.7	666	431	343.1	461	356.3	367	301	369	1 082
Rental cost (in financial year 2018-19)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	\$230,980	\$1,334,784	N.A.	N.A.	\$243,540	\$1,704,000
No. of staff (as at December 2018)	14	9.5	11.5	17	18	19	18	13	12	12	2	11	19.5
No. of visitors	21 874	13 462	17 026	23 875	54 856	41 813	34 847	28 798	25 539	19 632	19 611	22 754	58 675
Job fairs													
• No. of job fairs held	65	91	70	60	90	82	91	72	65	68	73	46	87
• No. of participating employers	224	91	160	118	239	228	303	248	142	183	155	162	382
• No. of vacancies involved	15 946	9 451	13 728	9 471	20 578	21 359	25 819	17 946	9 802	16 039	14 179	11 132	24 576
• No. of on-the-spot interviews arranged	4 348	1 241	2 355	1 071	3 637	4 315	4 262	3 151	1 745	4 087	2 533	1 545	6 876
• No. of employment offers made by employers	851	132	282	185	397	694	1 174	781	456	632	517	308	1 461
- No. of employment offers declined by job seekers	207	44	58	32	70	322	560	325	237	330	244	145	706
- No. of employment offers accepted by job seekers (i.e. placement)	644	88	224	153	327	372	614	456	219	302	273	163	755

Breakdown of information on recruitment centres of the Labour Department (LD)

2018

Recruitment Centre / District	Recruitment Centre for the Catering Industry (Wan Chai)	Recruitment Centre for the Retail Industry (Wan Chai)	Construction Industry Recruitment Centre (Kowloon Bay)
Size (m ²)	409 [Note 1]		862.7 [Note 2]
Rental cost (in financial year 2018-19)	N.A.		\$100 (concession rate)
No. of staff members (as at December 2018)	16 [Note 1]		13
No. of visitors	Not available	Not available	16 067
Job fairs			
• No. of job fairs held	244	245	177
• No. of employers involved	1 213	1 502	623
• No. of vacancies involved	87 451	72 111	13 642
• No. of on-the-spot interviews arranged	4 796	8 371	4 866
• No. of employment offered by employers	1 205	2 256	405
- <i>No. of employment offers declined by job seekers</i>	417	412	61
- <i>No. of employment offers accepted by job seekers (i.e. placement)</i>	788	1 844	344

Note 1: Recruitment Centre for the Catering Industry and Recruitment Centre for the Retail Industry are co-located on the same office premises. The two centres share the same pool of manpower resources.

Note 2: Construction Industry Recruitment Centre occupied about 60% of the total floor area and the remaining was occupied by other offices of LD.

2017

Recruitment Centre / District	Recruitment Centre for the Catering Industry (Wan Chai)	Recruitment Centre for the Retail Industry (Wan Chai)	Construction Industry Recruitment Centre (Kowloon Bay)
Size (m ²)	409 [Note 1]		985 [Note 2]
Rental cost (in financial year 2017-18)	N.A.		\$100 (concession rate)
No. of staff members (as at December 2017)	16 [Note 1]		14
No. of visitors	Not available	Not available	20 856
Job fairs			
• No. of job fairs held	244	245	152
• No. of employers involved	1 133	1 441	504
• No. of vacancies involved	77 614	64 029	12 743
• No. of on-the-spot interviews arranged	5 724	12 683	5 305
• No. of employment offered by employers	1 465	3 236	582
- <i>No. of employment offers declined by job seekers</i>	504	481	123
- <i>No. of employment offers accepted by job seekers (i.e. placement)</i>	961	2 755	459

Note 1: Recruitment Centre for the Catering Industry and Recruitment Centre for the Retail Industry are co-located on the same office premises. The two centres share the same pool of manpower resources.

Note 2: Construction Industry Recruitment Centre occupied about 60% of the total floor area and the remaining was occupied by other offices of LD.

2016

Recruitment Centre / District	Recruitment Centre for the Catering Industry (Wan Chai)	Recruitment Centre for the Retail Industry (Wan Chai)	Construction Industry Recruitment Centre (Kowloon Bay)
Size (m ²)	409 [Note 1]		985 [Note 2]
Rental cost (in financial year 2016-17)	N.A.		\$100 (concession rate)
No. of staff members (as at December 2016)	17 [Note 1]		12
No. of visitors	Not available	Not available	18 181
Job fairs			
• No. of job fairs held	243	245	140
• No. of employers involved	1 100	1 455	323
• No. of vacancies involved	75 065	79 056	8 433
• No. of on-the-spot interviews arranged	7 224	19 074	4 763
• No. of employment offered by employers	1 617	4 123	438
- <i>No. of employment offers declined by job seekers</i>	354	485	110
- <i>No. of employment offers accepted by job seekers (i.e. placement)</i>	1 263	3 638	328

Note 1: Recruitment Centre for the Catering Industry and Recruitment Centre for the Retail Industry are co-located on the same office premises. The two centres share the same pool of manpower resources.

Note 2: Construction Industry Recruitment Centre occupied about 60% of the total floor area and the remaining was occupied by other offices of LD.

**Public Accounts Committee of the Legislative Council
Consideration of the Director of Audit's Report No. 72 (Audit Report)
Chapter 3: Employment Services provided by the Labour Department**

Information provided in response to the letter of 21 May 2019 (Appendix II)

Part 1: Introduction

(1) Staffing and expenditure on providing employment services

The Selective Placement Division (SPD) of the Labour Department (LD) provides personalised employment services to job seekers with disabilities fit for open employment and helps them find suitable jobs. As at 1.3.2019, there were a total of 39 staff members working in SPD, and the divisional expenditure in 2018-19 was 40.8 million.

2. The Employment Services Division (ESD) of LD provides comprehensive employment services to general job seekers, including the elderly and middle-aged as well as ethnic minority (EM) job seekers, and assists employers to recruit staff. As at 1.3.2019, there were a total of 219 staff members working in ESD, and the divisional expenditure in 2018-19 was 137.5 million. As the staff of ESD are required to undertake different duties concurrently, the manpower and expenditure involved in providing employment services to the elderly and middle-aged as well as EM job seekers cannot be separately identified.

Part 2: General employment services for all job seekers

(2) Direct placements (Paragraphs 2.12 and 2.13 of the Audit Report)

3. In conducting job referrals for job seekers and assisting them to get employed, LD provides a wide range of services during the whole process, including providing job seekers with personalised employment advisory service and job search advice before making referrals, assisting job seekers to match with and search for suitable job vacancies, collecting and clarifying relevant information from employers in relation to the job vacancies selected by job seekers, seeking confirmation from job seekers whether to accept the referrals or to consider choosing other job vacancies, etc. Whether the job referrals will result in successful placements or not depend on many factors, say, whether the job seekers will attend the job interviews as scheduled, and whether the job seekers will accept the employment offers if so made by the employers. As the

situation of each job referral and placement differs, LD does not keep the statistics on the number of services provided and the time spent on each case.

(3) Indirect placements (Paragraph 2.14 of the Audit Report)

4. Concerning indirect placements in paragraph 2.14, the information sought is provided as follows:

- (a) Currently, the vast majority of employers using the recruitment services of LD welcome job seekers to make direct application to them. Job seekers may apply for the jobs either through LD's referral service or by direct application to employers. To assess the number of placements made through job seekers' direct application to employers who advertised vacancies via LD, LD conducts periodic sample surveys with employers and includes the relevant statistical figures in the Controlling Officer's Report.
- (b) There are no indirect placement figures under LD's dedicated employment services for job seekers with special needs.

(4) Number of visitors to job centres and recruitment centres (Table 5 in paragraph 2.15 of the Audit Report)

5. Regarding the number of visitors to the job centres and recruitment centres in Table 5 in paragraph 2.15, the information sought is provided as follows:

- (a) The 13 job centres of LD is committed to helping job seekers to find work in the district and employers to recruit staff through a series of comprehensive and free employment and recruitment services provided by 13 job centres across the territory. Moreover, having regard to the circumstances and needs of job seekers and employers in the locality, job centres also organise thematic recruitment activities and strengthen the employment support for specific groups of job seekers through collaboration with local non-governmental organisations (NGOs).
- (b) Currently, LD does not have plan to set up recruitment centres for other industries. We consider that recruitment centre is not suitable for every industry. As a recruitment centre operates by conducting interviews on the spot, it would be more suitable for industries like the catering, retail and construction industries which provide a large number of vacancies for job seekers with various education and skill levels, and industries with a higher turnover rate.

For those industries with a lower turnover rate, fewer vacancies, vacancies limited to particular districts, or manpower demand having large seasonal or economic fluctuations, setting up a permanent recruitment centre is not cost effective. LD will meet the recruitment needs of these industries through organising large-scale, district-based or thematic job fairs as appropriate.

(5) Interactive Employment Service (iES) (Paragraphs 2.33 to 2.35 of the Audit Report)

6. In connection with paragraphs 2.33 to 2.35, the information sought is provided as follows:

- (a) We consider that the drop in the visits/page views of the iES website in the past few years was mainly attributed to the continuous upsurge in the penetration rate of smartphones and mobile devices in Hong Kong, causing more job seekers to switch to the iES mobile app, more efficient dissemination of information by LD on the web (such as use of push notifications to deliver personalised messages to users), coupled with the generally tight labour market and a decline in the number of unemployed persons.

Unlike other private job portals and mobile apps, which operate for commercial purposes, the iES website and its mobile app aim to provide free and comprehensive employment information and online employment services for job seekers in need, regardless of their backgrounds, educational attainment and work experience. For instance, the website has set up dedicated webpages for groups with special employment difficulties to provide them with tailored employment information and feature job vacancies particularly suitable for the respective groups. LD will continue to enhance the iES website to facilitate the provision of online employment services for various types of job seekers and employers.

- (b) LD has all along been collecting job seekers' views on its employment services through various channels, including distributing customer feedback forms and placing collection boxes in job centres, organising annual "Best Customers Service Office Contest" among job centres, etc. so as to motivate job centres for continuous enhancement of service quality.

Part 3B: Employment services for elderly and middle-aged job seekers

Employment Programme for the Elderly and Middle-aged (EPEM)

(6) Effectiveness of the enhancement measures (Paragraphs 3.45 and 3.48 of the Audit Report)

7. EPEM aims at encouraging employers who have concerns over the hiring of the elderly and middle-aged to engage unemployed elderly and middle-aged job seekers and provide them with on-the-job training (OJT) through the provision of OJT allowance. LD actively invites the employer of each placement case eligible for joining EPEM to apply for OJT allowance. However, some employers did not apply for the allowance due to various reasons. For example, they chose to absorb the training costs by their own resources. Since these employers had already employed the elderly or middle-aged job seekers, whether they applied for OJT allowance was of secondary importance.

8. Since the implementation of enhancement measures under EPEM in September 2018, the number of placements recorded has increased, in particular those involving job-seekers aged 60 or above. LD will continue to closely monitor the employment needs of elderly and middle-aged job seekers so as to provide them with suitable employment support and services, and vigorously encourage employers to hire elderly and middle-aged job seekers.

(7) Cases without application for OJT allowance (Paragraph 3.49 of the Audit Report)

9. Regarding the 297 cases without application for OJT allowance, LD had, at different stages, repeatedly reminded the employers concerned to submit the application form as well as the employees' salary and attendance records within the time limit to apply for the OJT allowance. However, the employers concerned eventually did not submit the applications, nor provided LD the reasons for not claiming OJT allowance.

(8) Cases with shorter retention period

10. LD regularly follows up on the placements under EPEM. For the placements with approval-in-principle issued and followed up between October 2014 and October 2018, 148 placements have a retention period of less than 1 month and 543 placements have a retention period of less than 3 months.

(9) Statistics (Table 19 in paragraph 3.49 and Table 20 in 3.52 of the Audit Report)

11. The quoted figures in Table 19 were the numbers of placements under EPEM with OJT allowance granted to the employers (including employees completing the whole or part of OJT), whereas the quoted figures in Table 20 were the numbers of placements with approval-in-principle where OJT was fully completed. Since the former has wider coverage, the numbers of cases were higher than the latter.

(10) Performance indicators

12. Relevant figures of elderly and middle-aged job seekers were included in the figures of able-bodied job seekers in the Controlling Officer's Report without separate breakdown in the past. Nonetheless, LD would provide the number of placement cases eligible for joining EPEM and the number of applications for OJT allowance in response to enquiries from the public, media and various concern groups. LD will consider setting out the estimated number of placements eligible for joining EPEM and the number of placements with approval-in-principle issued in the Controlling Officer's Report.

(11) Retention period of placements (Table 21 in paragraph 3.56 of the Audit Report)

13. The continuous low unemployment rate with abundant job openings in the labour market fueled the increase in turnover rate of staff, including the elderly and middle-aged. The purpose of EPEM is to encourage employers to hire elderly and middle-aged job seekers and provide them with OJT. Despite that some employees failed to complete OJT fully, their employability had already been enhanced through the work experience and skills acquired during OJT.

14. With a view to assisting the elderly and middle-aged persons to complete OJT under EPEM and stay in employment, LD has been proactively and regularly following up with participating employers and employees to understand the latter's work and OJT situation. LD will give timely support and counseling to the employees in need, as well as following up with their employers or suggesting improvement arrangements as situations warrant.

(12) Manpower for handling placement cases

15. EPEM is implemented by the staff of LD's job centres among their other duties, and the manpower involved cannot be separately identified.

Part 3C: Employment services for EM job seekers

(13) Dedicated employment services (Paragraph 3.64 of the Audit Report)

16. As regards the dedicated employment services provided to EM job seekers in paragraph 3.64, the information sought is provided as follows:

- (a) Since May 2017, LD has been engaging two employment assistants for EMs, who are proficient in EM languages, on a pilot basis. A series of training has been arranged, including enrolling them to Chinese speaking, reading and writing courses and appointing experienced staff as mentors to provide them with comprehensive OJT.

The main duties of the employment assistants for EMs are to partner with experienced employment officers in providing employment advisory services to EM job seekers, assist in organising employment briefings and job fairs, and providing various employment services in job centres, reach out to and maintain contact with the EM communities, etc. Job seekers (including EMs) may apply for jobs through LD's referral service or by direct application to employers who advertise vacancies via LD. Currently, the vast majority of vacancies advertised through LD are open for direct application to employers by job seekers. Job seekers (including EMs) who are placed into employment through direct application are not required to report their employment status to LD. LD therefore does not have figures on the number of services provided or the number of placements secured for job seekers by or through the assistance of the employment assistants for EMs.

- (b) LD arranges EM job seekers in need to meet employment officers to obtain personalised employment advisory service. Experienced employment officers who are familiar with the local employment market and proficient in English provide EM job seekers with job search advice and information on the job market and training/retraining courses, support them in conducting career aptitude assessment, etc. in accordance with their individual needs and preferences, and match them to suitable jobs.

To raise the multi-cultural sensitivity of frontline staff, LD from time to time invites NGOs serving EMs to deliver talks on different cultural and religious customs as well as skills in communicating

with EMs. LD has also strengthened collaboration with the Equal Opportunities Commission for the latter to provide training on equal opportunities and multi-culture for staff of job centres and recruitment centres. The training covered the situation of EM communities in Hong Kong as well as legislation and guidelines related to anti-racial discrimination, and arranged case discussion to raise participants' sensitivity to EM cultures and the quality of service.

- (c) To further strengthen the employment support for EM job seekers, LD will launch a pilot programme in conjunction with NGOs to provide employment services for EM job seekers through a case management approach so as to utilise NGOs' community network, expertise in case management and experience in serving EMs.

(14) Registered EM job seekers (Paragraph 3.65 of the Audit Report)

17. In 2018, a total of 1 173 EMs registered with LD for employment services. Among them, 898 (76.6%) were South Asians who only accounted for about 32% of the EM population in Hong Kong (excluding foreign domestic helpers) in 2016. Constrained by language and cultural differences, South Asians are generally believed to be more prone to encountering difficulties during their job search and in greater need for employment support compared with other ethnic groups. As such, LD will continue to step up its publicity on LD's employment services to the South Asians. LD proactively reaches out to them at their popular gathering spots such as mosques, district-based organisations, grocery stores, food establishments, etc. and distributes the promotional leaflets to introduce the employment services of LD. Employment assistants who are conversant with South Asian languages and cultures also help LD reach out to the relevant communities.

18. In addition, job centres will continue to liaise with EM organisations, NGOs serving EMs, religious bodies, schools, etc. in their locality. Updated employment information on job fairs and schedules of employment briefings are disseminated to them regularly. These organisations are also encouraged to refer EMs with employment needs to LD for services. To acquaint more EM job seekers with LD's employment services, the relevant promotional leaflets are prepared in English and six EM languages (including Tagalog, Bahasa Indonesia, Thai, Hindi, Urdu and Nepali), and distributed through various channels.

(15) Job search channels of EMs (Paragraph 3.69 of the Audit Report)

19. From 2013 to 2016, LD had conducted interviews with EM job seekers registered with LD to understand their employment situation and ways to seek employment. According to the results, the shares of EM job seekers obtaining employment through the help of family members and friends, LD and newspaper/internet were 51%, 23% and 17% respectively.

(16) Employment briefings (Paragraph 3.71 of the Audit Report)

20. All job centres of LD regularly organise tailor-made employment briefings to help EM job seekers who have difficulties in seeking employment or are not familiar with the job market better understand the latest labour market situation and improve job search skills.

21. Information such as the date and venue of employment briefings organised by job centres will be announced through the iES website and all job centres so as to facilitate NGOs serving EMs to arrange interested EM job seekers to attend the employment briefings tailor-made for them. Meanwhile, if there are individual EM job seekers visiting job centres on days when no employment briefing was scheduled, instead of asking them to enrol in the coming employment briefing to be held on a later date, employment officers will provide them with employment advisory service on the spot and offer them job search advice as well as information on the job market and training/retraining courses right away. In 2017 and 2018, employment officers offered respectively 403 and 333 on-the-spot employment advisory service to EM job seekers.

(17) Vacancies indicating EMs were welcome for the posts (Paragraph 3.77 of the Audit Report)

22. Breakdown of vacancies published by LD which indicated that “Ethnic minorities are welcome for the post” in 2016 to 2018 by industry is at the Appendix. These vacancies have steadily increased from around 160 000 in 2016 to nearly 240 000 in 2018, and covered various industries. LD will, having regard to the needs of EM job seekers, continue to provide dedicated employment services to assist them in securing employment.

(18) New measure (Table 25 in paragraph 3.66, Tables 26 and 27 in paragraph 3.68 of the Audit Report)

23. LD will launch a pilot programme in conjunction with NGOs to provide employment services for EM job seekers through a case management approach. Please see paragraph 16(c) for details.

Part 3D: Employment services for job seekers with disabilities

(19) Divisional targets (Table 30 in paragraph 3.88 of the Audit Report)

24. With regard to the divisional targets in Table 30 in paragraph 3.88 of the Audit Report, the information sought is provided as follows:

- (a) Every year, SPD would list out in the Controlling Officer's Report the estimated number of job seekers with disabilities registered and number of placements secured basing on past statistics and prevailing labour market situation. Besides, SPD sets work targets on these two aspects for internal reference every year. According to the practice of past few years, the estimated numbers in the Controlling Officer's Report were adopted as the work targets. However, the internal work targets were sometimes set slightly higher than the estimated numbers where appropriate to encourage staff of SPD to aim higher in providing services to job seekers with disabilities.
- (b) The number of job seekers with disabilities registered and the number of placements secured hinge on different factors. Whether job seekers could find a suitable job is affected by many factors such as their job preference, academic qualifications and work experience, requirements of employer as well as the availability of suitable jobs that could fit their physical conditions. Hence, the number of placements secured is not necessarily in positive correlation with the number of job seekers with disabilities registered. The two estimated numbers are respectively set by taking into account different factors.

(20) Employment status of registered job seekers with disabilities (Paragraph 3.90 of the Audit Report)

25. As regards the employment status of registered job seekers with disabilities in paragraph 3.90 of the Audit Report, the information sought is provided as follows:

- (a) According to experience, the main reasons for having no referral for job seekers are that they defer looking for jobs owing to personal or health reasons; they are already in employment but looking for their preferred jobs which are not yet available; and the results of medical assessments on their suitability for open employment are pending. To avoid cases being overlooked, SPD has established a monitoring mechanism of compiling a monthly list of job seekers with no

referral for a considerable period of time (i.e., previous four months) for follow-up by Employment Consultants.

- (b) SPD conducts annual snapshot survey every January to understand the employment situation of each registered job seeker with disabilities in the previous year. According to the survey results of January 2019, among the 2 766 job seekers with disabilities registered in 2018, 563 of them were still looking for jobs but yet to be employed in suitable jobs. SPD does not keep statistics on the time taken for job seekers to find a job but will adopt the Director of Audit's recommendation to collect the relevant statistics.
- (c) Some of the persons with disabilities registered with SPD are in employment but continue their registration with a view to searching for their preferred jobs or jobs with better employment terms. The registration period of a job seeker with disabilities with SPD is one year. Before the lapse of the registration, SPD will send a re-registration reminder to the registrants. If they do not re-register, their registrations will lapse automatically upon the expiry of the registration period.

(21) Indirect placements (Paragraphs 3.92 to 3.95 of the Audit Report)

26. To encourage job seekers suffering from mild disabilities and having good working capability to seek employment more proactively and independently as well as to enhance their employment opportunities, SPD organises different employment seminars and provide them with employment counselling to enhance their understanding of the employment market and skills on job hunting. In the process of helping the job seekers with disabilities to seek a job, Employment Consultants would provide them with personalised advices on job choice and interview techniques. During the registration period, Employment Consultants will keep in contact with job seekers with disabilities and provide them with support to enhance their employability. The number of times a job seeker received service is not a relevant factor in determining whether the case is to be counted as an indirect placement case or not.

(22) Retention period of placements for job seekers with disabilities (Paragraph 3.97 of the Audit Report)

27. Concerning the retention of job seekers with disabilities in paragraph 3.97 of the Audit Report, the information sought is provided as follows:

- (a) SPD will assign an Employment Consultant to follow up with each employer. When job vacancies are received, Employment

Consultants will enquire with the employer on the job requirements and duties, work environment and relevant information in details. Where necessary, Employment Consultants will visit the employers to have an in-depth understanding of the employers' business and work environment. If there is a need, Employment Consultants will accompany persons with disabilities to attend job interview to assist both parties to arrange proper supporting facilities.

- (b) To strengthen support for employers and help employees with disabilities to adapt to their new work, SPD has enhanced the post-placement services to persons with disabilities since 2015. The follow-up period has been extended from three months to six months. During the follow-up period, Employment Consultants will maintain close contact with the employees with disabilities and keep track of their work progress to help them settle in their new jobs. Employment Consultants will also provide support services for employers to assist them to better understand the particular needs of their employees with disabilities and help both parties build up good working relationship. For cases with particular needs, Employment Consultants, with regard to the actual situation, will continue to provide follow-up services to the parties if either of them requires further assistance after completion of the six-month follow-up period.

Besides, SPD launched an emotional counselling scheme for persons with disabilities in September 2016 by engaging an NGO to offer professional psychological and emotional counselling to needy job seekers with disabilities by registered social workers. It serves to alleviate the emotional problems of job seekers with disabilities arising from the state of their disabilities or personal or family matters, so as to help them concentrate on job search and settle in their new jobs, thereby realising their potentials in employment.

Work Orientation and Placement Scheme (WOPS)

(23) Retention of placements (Paragraph 3.106 of the Audit Report)

28. In relation to the retention of placements secured under WOPS as stated in paragraph 3.106 of the Audit Report, the information sought is provided as follows:

- (a) According to information obtained during post-placement follow-up, the reasons for employees with disabilities not staying in the jobs

were mostly their own resignation. Dismissal by employers only accounted for a small proportion of these cases. The main reasons for employees with disabilities to resign were their inability to adapt to the new job, their wish to change to new working environment and their finding a better job. On the other hand, employers dismissed employees with disabilities mainly because of the latter's performance issues.

- (b) SPD has established mechanism to forestall abuse of WOPS by employers. Participating employers are required to register job vacancies with SPD. The details of vacancy will be scrutinised to ensure their compliance with the scheme requirements. The vacancies have to be filled by job seekers with disabilities registered with and referred by SPD. The employer will only be allowed to participate in the scheme after confirmation of their meeting the requirements of WOPS through SPD's vetting.

Every approved WOPS case is followed up by an Employment Consultant of SPD. Employment Consultants will keep track of the case progress by maintaining close contact with the employers and employees with disabilities to understand the latter's work progress, as well as the coaching and support provided by the employers.

SPD encourages participating employers to continue to employ the employees with disabilities after the end of the allowance period. SPD has not received any complaint on abuse of the scheme by employers from employees with disabilities participating in the scheme. If SPD discovers any employer who dismisses the relevant employee with disabilities immediately after the allowance period ends without good reason, SPD may refuse the employer concerned to participate in WOPS again. SPD will continue to monitor the implementation of the scheme to safeguard the employment of employees with disabilities.

(24) Pre-employment training classes (Paragraph 3.110 of the Audit Report)

29. Employment Consultants of SPD invite new registrants and other job seekers with disabilities in need to attend Pre-employment Training. Around 850 registrants are invited every year. The main reason for their declining to attend the course was that the job seekers considered themselves already equipped with the relevant skills. SPD conducted a comprehensive review on Pre-employment Training in September 2018. The review revealed that the

main reason for the decrease in the number of participants is that the academic attainment of the job seekers with disabilities has become higher and they have already attended similar courses in school or NGOs. Based on the review result, the content of the course has been revised since May 2019 to better suit the needs of job seekers with disabilities.

Labour and Welfare Bureau
Labour Department
May 2019

Breakdown of vacancies indicating
ethnic minorities were welcome for the post by industry from 2016 to 2018

Industry	Number of vacancies		
	2016	2017	2018
Manufacturing	8 139	6 952	9 816
Construction	5 675	8 099	6 727
Wholesale, retail, import/export trades	21 209	25 772	32 323
Restaurants and hotels	60 650	66 109	84 617
Transport, storage and communications	8 625	12 395	14 070
Financing, insurance, real estate and business services	37 713	45 684	58 925
Community, social and personal services	16 139	22 388	26 283
Others	3 936	5 526	5 509
Total	162 086	192 925	238 270