

**Legislative Council Subcommittee
to Study the Subject of Combating Poverty**

**Report on Women in Poverty –
Employment Training for Women**

Introduction

The Commission on Poverty (CoP) will examine at its next meeting scheduled for 27 September 2006 the Government's efforts in providing more targeted training, retraining and continuing education for the low-skilled, low-education and middle-aged unemployed, including women. Relevant discussion papers are at the Annex for Members' reference. They are also relevant to recommendation (d) in the LegCo "Report on Women in Poverty" (the Report).

Key Areas of Work

2. Relevant bureaux and departments have taken various steps to strengthen employment assistance, and will continue to work on the following areas of work -

- **Job Development** - Developing market-oriented training/retraining courses, as well as new and untapped job market for the low-skilled workers, such as home help and personal care services, which provide job opportunities suitable for women.
- **Quality Assurance** – Enhancing quality assurance of training and retraining courses, as well as taking into account the needs of the low-skilled workers in developing the Qualifications Framework to facilitate their access to higher qualifications.
- **Life Long Learning** – Promoting life long learning as a form of "unemployment prevention" of the low-skilled workers, for example in exploring possibility of establishing a new Retraining Resource Centre in Yuen Long or in other districts in the New Territories to promote self-learning and provide better support to retrainees.

- **Interface with Employment Services** – Strengthening collaboration among employment support providers so as to offer more people-oriented and targeted employment training to the unemployed, especially the difficult-to-employ.
3. The CoP will continue to work with relevant bureaux, departments and the Women’s Commission to consider how to strengthen the assistance to the low-skilled, low-education and middle-aged workers, including women, to adjust to the changing requirements of the labour market.

Secretariat to the Commission on Poverty
Financial Secretary’s Office
September 2006

For discussion on
27 September 2006

CoP Paper 15/2006

Commission on Poverty (CoP)

Training, Retraining and Continuing Education

PURPOSE

This paper sets out the Government’s efforts in promoting training, retraining and continuing education, with a particular focus on the assistance to the low-skilled, low-education and middle-aged¹ workers to enhance their employability and to help them move out of poverty.

BACKGROUND

2. At the meeting on 23 January 2006, Members reviewed the various existing policies and measures in assisting low-income employees to move out of poverty. Members considered that support to low-income employees should not be focused on passive assistance, but rather on proactive support, including the provision of training and employment assistance to help them enhance their capacities and move out of poverty. This approach is in line with our policy direction to promote “From Welfare-to-Self-Reliance”.

MANPOWER DEMAND

3. The existing training initiatives to help the low-skilled, low-education and middle-aged workers should be understood in the context of the underlying developments in our economy which significantly change the essence of labour demand. Indeed, the Hong Kong economy has undergone fundamental structural transformation and become more service-oriented in the past two decades, and there has been substantial job upgrading among the local workforce in order to cope with the changing work requirements in a modern economy (*Annex A*). While the earnings of those with tertiary education have experienced significant growth in real terms, the earnings of those with low education have remained relatively stagnant (*Annex B*).

¹ Given the focus is on low-skilled, low-education and middle-aged workers, training for youth and youth unemployment is not covered in this paper.

4. In tandem with the sustained economic revival in the past few years, labour demand has strengthened across-the-board, although those workers with higher skills and education level tended to benefit more. Of the some 260 000 jobs created since the cyclical trough in mid-2003, nearly 80% were high-skilled jobs. This notwithstanding, the unemployment situation of lower-skilled workers has also turned better, thanks to the concurrent marked contraction in the labour supply. As a result, considerable decline in the unemployment rates was seen in all sectors, all age groups and at all education levels. Long-term unemployment has also come down markedly by nearly half. The unemployment rates in some sectors, e.g. financing and certain community, social and personal services, have fallen below 2%, i.e. virtually full employment (*Annex C*).

5. The overall unemployment rate, whilst declining, is still relatively high at around 5%. Unemployment in some sectors, most notably in the construction industry, remains high (e.g. 11.8% for the construction industry in Q2 and 10.7% in May – July 2006. Detailed breakdown at *Annex C*) and continues to attract concerns. This partly reflects that the Hong Kong economy has yet to fully recover from the earlier downturn despite several years of robust growth, with the still sluggish building and construction activity being a notable example. While the labour market keeps adjusting to the structural changes and the newly created jobs have absorbed some of the displaced workers, the delicate employment conditions in a few segments continue to act as a drag and partly explain why the overall unemployment rate remains high by historical standard despite reports of labour shortages in some sectors.

MANPOWER SUPPLY

6. To maintain and further enhance the competitiveness of Hong Kong's workforce in an increasingly globalized economy, it is imperative for our workers to constantly upgrade their skills and broaden their knowledge. Through the Government's vast investment in higher education, the educational attainment of our workforce has advanced substantially in the past two decades (*Annex D*). In recent years, the Government has actively promoted the concept of lifelong learning and launched or supported a wide range of education and training schemes/programmes, aimed at enhancing the skills level, employability and competitiveness of the workforce (*Annex E*).

RETRAINING FOR UNEMPLOYED AND DISPLACED WORKERS

7. For the low-skilled, low-education and middle-aged workers who are unemployed or have been displaced by the rapid economic restructuring, they require more targeted support in order to help them adjust to the changing demands of the labour market. Retraining unemployed and displaced workers is a very difficult area given their low education attainment, age and psychological barrier in entering a new field. Some of the female unemployed may have been away from the labour market for a long period and need tailor-made support.

Employees Retraining Board

8. The Government set up the Employees Retraining Board (ERB) in October 1992 to meet the training needs of the more difficult-to-employ, i.e. unemployed persons aged 30 or above with no more than junior secondary education level. ERB offers full-time placement-tied courses (e.g. training courses for work as domestic helpers, security and property management personnel, or personal care and massage for health care workers) for them free-of-charge, enabling them to acquire new skills or enhancing their employability in order to help them re-enter the labour market. Eligible workers who are unemployed or having low incomes, or have completed full-time placement-tied courses in the past two years may also apply for part-time retraining courses on basic generic skills (e.g. computer skills and vocational languages) which are offered on a partial cost-recovery basis.

9. Currently, ERB offers about 100 000 retraining places annually through 57 training bodies at over 180 training centres throughout the territory. Performance of the programmes is evaluated through a combination of placement-tied benchmarks as well as job retention rates. Against a benchmark of 70%, an average of 83% of the retraining graduates in 2005-06 financial year are able to find employment within three months upon their completion of placement-tied retraining courses (which account for about 50% of the training capacity of the year). Job retention rate after 6 months for all placements is maintained at about 67%. Since its inception, the ERB has provided over 970,000 retraining places up to the end of July 2006. Some 76% of whom are women.

10. The ensuing paragraphs highlight some of the efforts of the ERB to strengthen its support to help the unemployed and displaced workers re-enter the labour market.

(a) Market-Oriented Courses and Job Market Development

11. In order to ensure that the retraining courses are market-oriented, the ERB keeps itself abreast of labour market information through manpower projections, analysis of job vacancies, labour market surveys, consultation with industries, trade unions etc. The ERB also works closely with employers and training bodies to launch tailor-made projects to meet the needs of the individual employers.

12. In recent years, the ERB proactively develops relatively new and untapped fields suitable for low-skilled workers. The Integrated Scheme for Local Domestic Helpers (LDH) was launched in May 2002 to provide better employment and support services for both employers and graduates of retraining course for domestic helpers. Through active promotion and increasing social recognition, the Scheme is gaining popularity. The number of vacancies for LDHs registered under the Scheme increased steadily from some 37 000 in 2002 to over 58 000 in 2005. On average, over 60% of these vacancies were filled by the retrainees. The overall placement rate for the retrainees was 86% in 2005-06.

13. The ERB is continuing its efforts in developing new potential markets and new courses, e.g. post-natal mentors, health massage/foot reflexology workers, and elderly home care workers. The ERB is also exploring job opportunities in the laundry and cleaning industries. The average number of vacancies for post-natal mentors registered by the ERB is over 170 per month in the first six months of 2006. In addition to placement efforts, the ERB will attempt to create the demand for the graduates of health massage/foot reflexology retraining courses. The ERB is planning to launch promotional campaigns in residential club-houses, shopping malls and commercial establishments. Among other things, the standard of the retraining will be emphasized to instil public confidence and build the brand. With the ageing society and the preference of the elderly to grow old at home rather than in institutions, the ERB sees a good potential for elderly home care workers and introduced a standardized course in August 2006. At present, there are over 200 job vacancies per month for looking after the elderly at home registered by the ERB. The demand is expected to increase when the ERB conducts promotion in this

area.

14. CoP Paper 16/2006 provides some background information on the potentials of these home help and personal care industries for Members' reference. Separately, CoP Paper 17/2006 provides background information on the potential job opportunities of the hotel industry. While the sector is growing, it is noted that the jobs suitable for the "difficult-to-employ" are mainly "back-of-the-house" jobs, e.g. room attendants and maintenance staff.

(b) Quality Assurance

15. The ERB has its own internal quality assurance mechanism. To maintain consistency in quality, the ERB has since 2001 been standardizing its courses in terms of contact hours, course duration and methods of assessment etc. To date, over 80% of the courses have been standardized. There are a series of performance indicators including placement rate, retention rate, capacity utilization rate and attendance rate for the Board to evaluate the cost-effectiveness of retraining courses. The satisfaction of users including employers and retrainees is measured to gauge customer satisfaction. As part of the quality assurance mechanism, the ERB arranges visits to the respective training bodies by course advisors to monitor the effectiveness of delivery of training. In addition, the ERB conducts site audits and surprise inspection visits to audit training bodies' course administration and management.

16. In order to enhance the confidence of employers in the skills standards of retrainees and hence their employability, ERB administers a Practical Skills Training and Assessment Centre (PSTAC) which has been in operation since 2002. PSTAC is a center for centralized skills assessment and certification, currently provided for graduates of the LDH, personal care workers (PCW), and health massage/foot reflexology training courses. The ERB aims to extend its standardized skills assessment to all retraining courses by phases.

17. In the long run, the Qualifications Framework (QF)² being developed will promote quality-assured qualifications and enhance the

² For more information on QF, please see www.hkqf.gov.hk

capability and competitiveness of the workforce. Only quality assured qualifications can be uploaded to the web-based Qualifications Register, the public face of the QF. The ERB will subject its courses to external accreditation by the Accreditation Authority, so that its courses can be listed on the Qualifications Register and gain the recognition of the QF.

(c) *Life Long Learning*

18. Besides skills training and upgrading, the ERB also upholds the principle of life-long learning and reinforces the effectiveness of retraining through the provision of self-learning facilities and training related activities. Developing the self-learning capacities of the unemployed and promoting life-long learning are a form of “unemployment prevention” training, which is important to avoid the retrainees become unemployed again.

19. As regards life-long learning, two Retraining Resources Centres (RRCs) were established, one in Cheung Sha Wan and one in Lok Fu, which provide interactive self-learning and practising facilities as well as organize workshops, seminars, study groups, mutual help groups for retrainees. They also provide follow-up and support services for retrainees and those awaiting retraining courses with a view to enhancing their skills to cater for the needs of the employment market. In 2005-06, the two RRCs recorded a total of 195 000 visits by retrainees.

(d) *Interface With Employment Support*

20. Currently, the ERB works closely with the Labour Department and the Social Welfare Department in gathering labour market information, liaison with employers, provision of employment assistance services, work trials, as well as potential training opportunities for the unemployed including able-bodied Comprehensive Social Security Assistance (CSSA) recipients.

21. At the CoP meeting on 27 March 2006, Members considered the recommendations in the District Study on Employment Assistance³ to provide more integrated and targeted assistance to the “difficult-to-employ”, and to avoid their being “filtered out” from the existing employment programmes. In relation to retraining services, the Study recommends that -

³ For details, please refer to CoP Paper 6/2006.

- (a) the retraining services in the Tin Shu Wai area be strengthened;
- (b) one of the existing RRCs be relocated to Yuen Long district or nearby, or the setting up of another RRC there;
- (c) the practical skills assessment be extended to other retraining courses;
- (d) the service provision of the ERB to be extended to the unemployed aged 25-29; and
- (e) the feasibility of providing temporary transport assistance to users who live in relatively remote areas.

Key Government responses to the recommendations made in the Report are set out at CoP 18/2006.

Retraining Displaced Construction Workers

22. Displaced construction workers who are prepared to try a new field can attend retraining courses organized by the ERB. Nevertheless, the number of retrainees from the construction industry is not very significant (5,024 retrainees in 2005/06). Some of them have attended the security and property management courses (2,162 retrainees) and moved to a new industry. The Construction Industry Training Authority (CITA) also offers full-time short courses for displaced construction workers to enhance their employability, alongside part-time courses for in-service personnel who require retraining and skills upgrading to enhance their employability and competitiveness in the industry.

23. Besides the retraining efforts, some NGOs have also actively organized the displaced construction workers in the form of cooperatives/social enterprises, and tried to create the demand for these workers through promoting their services and providing referral and quality assurance.

WAY FORWARD

24. Society keeps on changing. The importance of education, training and continuing education to enhance the competitiveness of our workforce cannot be over-emphasized. For the low-skilled, low-education and

middle-aged workers, we strive to provide additional targeted support to help them adjust to the changing requirements of the labour market, through retraining, skills upgrading and promoting life-long education.

25. Members are invited in particular to note the efforts of the ERB in -
- (a) developing market-oriented courses, as well as new and untapped job market for the low-skilled workers (*paragraphs 11 – 14*);
 - (b) enhancing quality assurance (*paragraphs 15 - 17*);
 - (c) promoting life long learning as a form of “unemployment prevention” training (*paragraphs 18 – 19*); and
 - (d) strengthening interface with employment support providers (*paragraphs 20 – 21*).

26. Besides training, opportunities for placements and work trials for the more difficult-to-employ are equally important. The Caring Company Scheme under the Hong Kong Council of Social Service encourages employment of the disadvantaged, including retrainees. Similar efforts should be encouraged across the private sector in collaboration with the Government and the welfare sector. It is also note-worthy that some training bodies have started to run social enterprises as a model to provide training and placement opportunities for their clients including retrainees of the ERB.

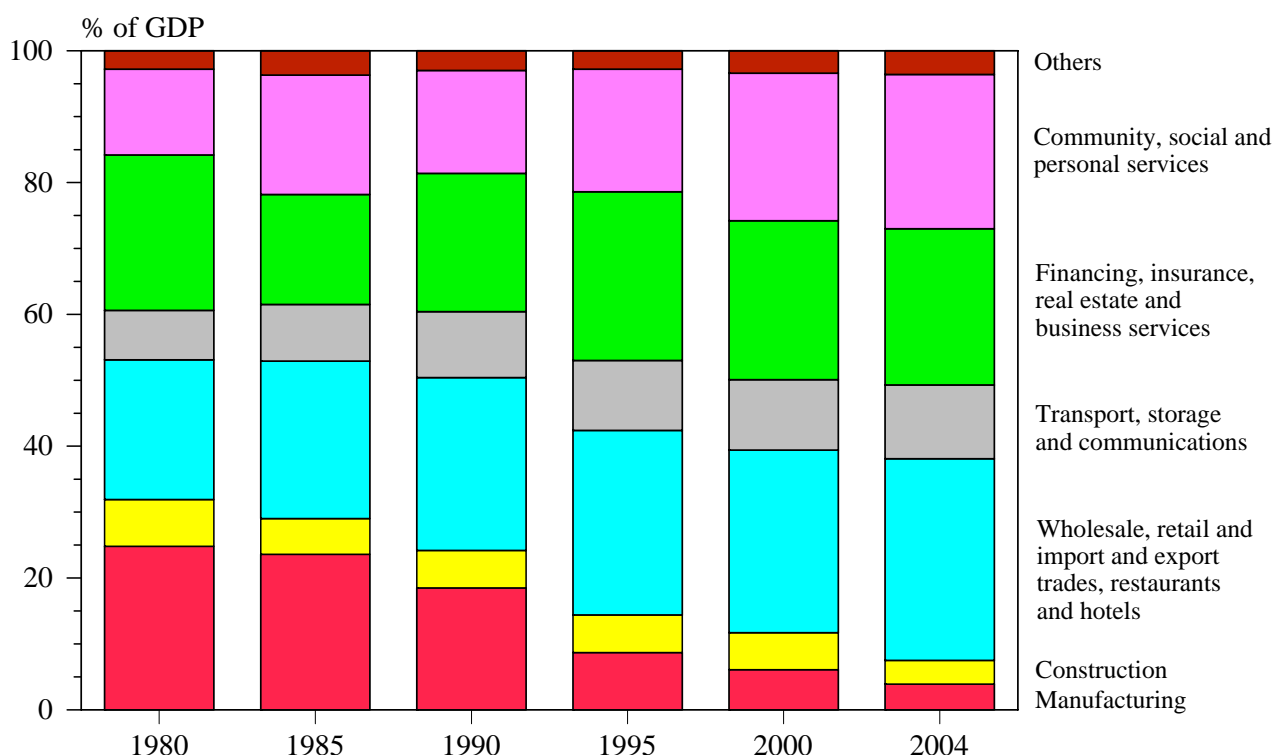
27. On the labour demand side, the Government will continue its efforts to promote macro-economic development which drives domestic demand. Now that the economy is back on a sustainable growth path, coupled with the envisaged increase in the share of elderly population, among other things there should be a healthy growth of the market for domestic and personal services suitable for the low-skilled workers.

Commission Secretariat

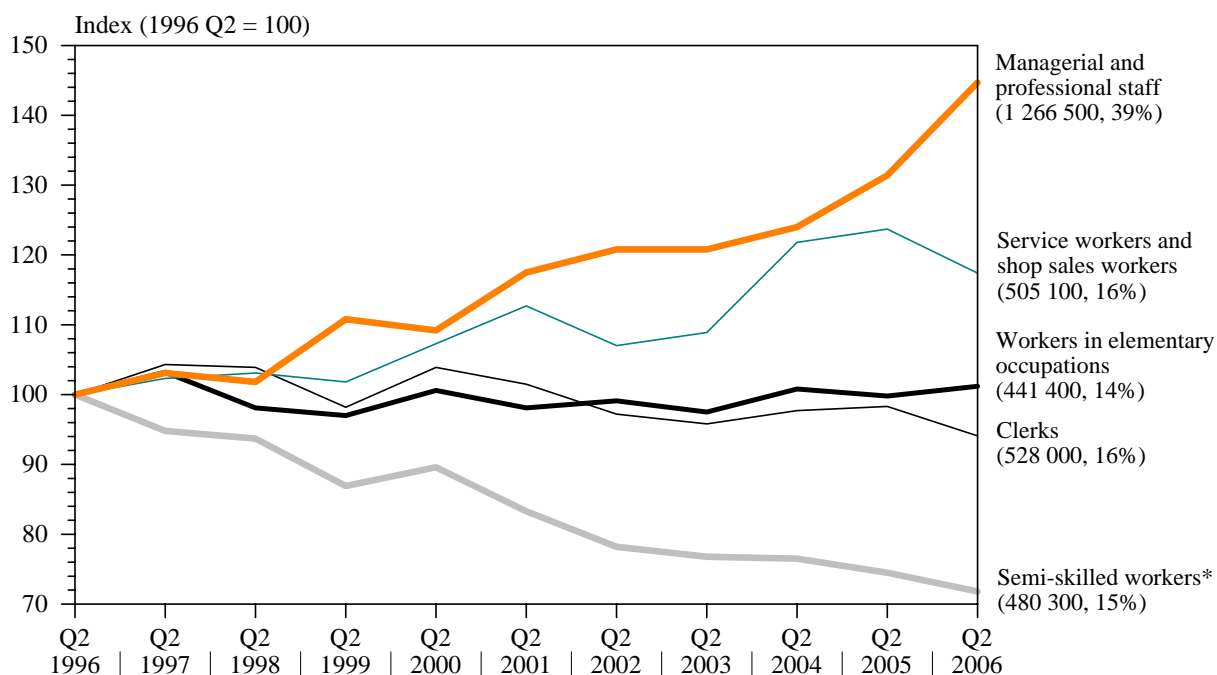
(With input from the Government Economist, the Education and Manpower Bureau and the Employees Retraining Board)

September 2006

Structural transformation of the Hong Kong economy



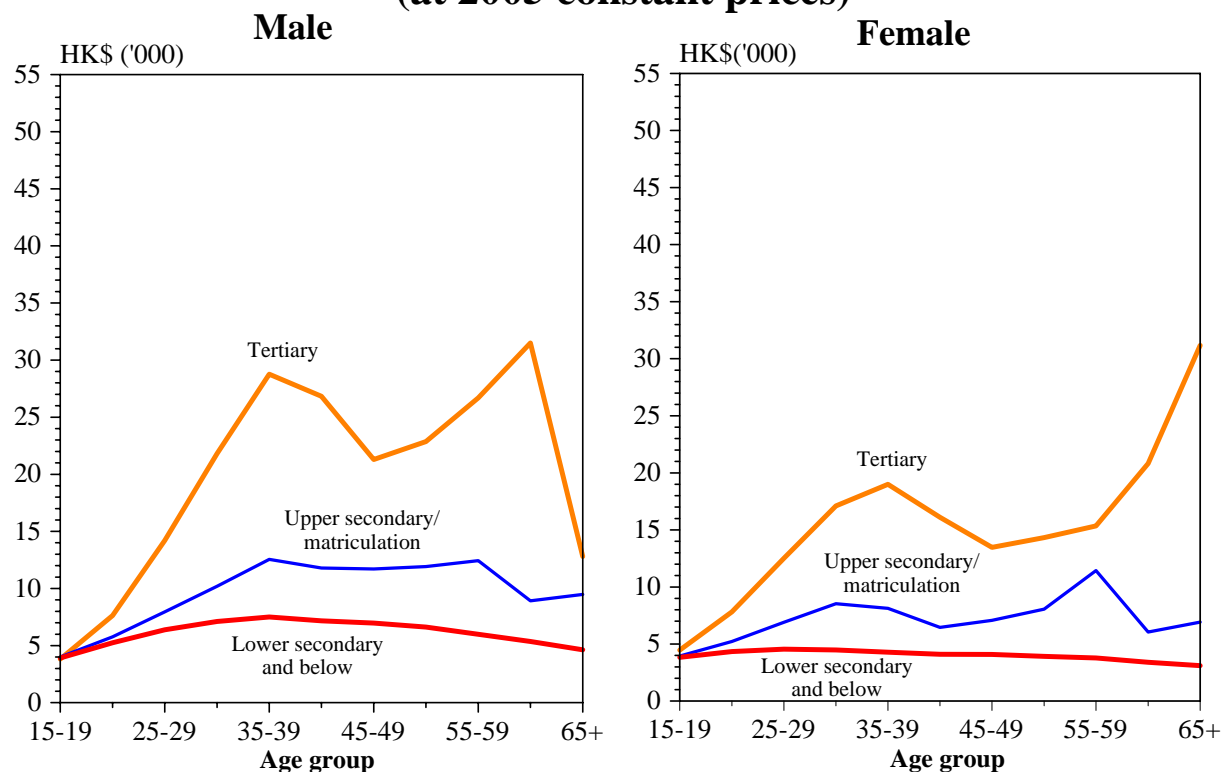
Substantial job upgrading



Notes : Figures in brackets represent the number of employed persons (excluding foreign domestic helpers) in Q2 2006, and the percentage shares refer to the proportion of employed persons engaged in the respective occupations.

(*) Semi-skilled workers include craft and related workers and plant and machine operators and assemblers.

Average monthly earnings of full-time employees, 1985 (at 2005 constant prices)



Average monthly earnings of full-time employees, 2005

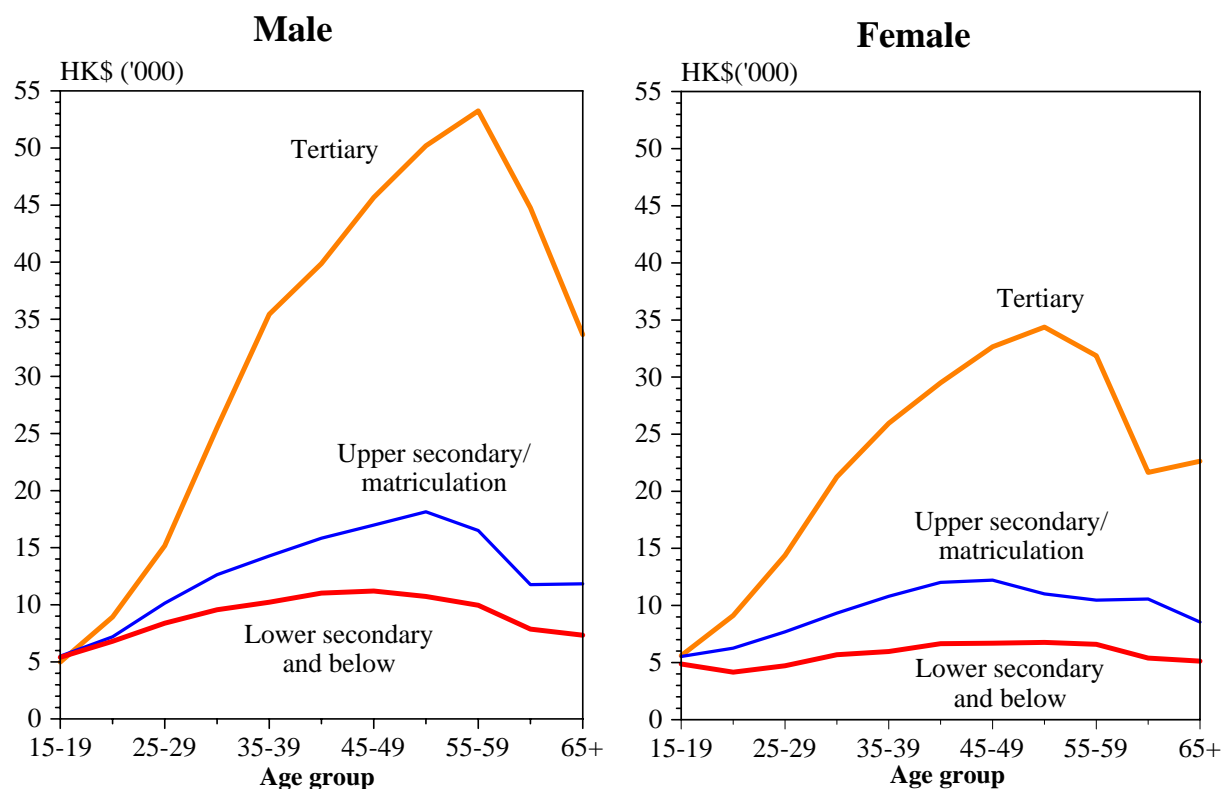


表 4A 按以前從事的行業(詳細組別)劃分的曾工作的失業人數[@]
 Table 4A Unemployed persons with a previous job[@] by previous industry
 (detailed group)

以前從事的行業 Previous industry	2005	2006	2006	2006	2006
	第二季 [#] Q2 [#]	第一季 [#] Q1 [#]	二月至四月 [#] Feb - Apr [#]	三月至五月 [#] Mar - May [#]	第二季 [#] Q2 [#]
	人數 No. (‘000)	人數 No. (‘000)	人數 No. (‘000)	人數 No. (‘000)	人數 No. (‘000)
製造業 Manufacturing	13.8 (5.7%)	10.9 (4.6%)	12.6 (5.3%)	13.0 (5.7%)	13.6 (6.0%)
食品及飲品製造業 Food and beverage	0.6 * (2.8%) *	1.4 * (5.4%) *	1.5 * (5.8%) *	1.7 * (6.1%) *	1.0 * (4.0%) *
服裝及鞋類製品業 Clothing and footwear	4.3 (7.3%)	3.6 (6.0%)	4.1 (6.6%)	4.3 (7.6%)	4.5 (8.3%)
紙品製造及印刷業 Paper and printing	2.6 * (4.9%) *	1.4 (2.7%)	1.6 * (3.3%) *	1.5 * (3.1%) *	1.9 * (3.7%) *
其他產品製造業 Other manufacturing industries	6.3 (5.8%)	4.5 (4.6%)	5.3 (5.4%)	5.4 (5.7%)	6.3 (6.6%)
建造業 Construction	43.6 (14.1%)	42.9 (13.7%)	42.2 (13.6%)	35.0 (11.3%)	35.7 (11.8%)
地基及上蓋工程 Foundation and superstructure	28.9 (12.6%)	26.7 (11.5%)	27.7 (11.9%)	25.2 (10.8%)	25.8 (11.1%)
裝修及保養工程 Decoration and maintenance	14.7 (18.1%)	16.2 (19.8%)	14.5 (18.3%)	9.8 (13.1%)	9.9 (13.7%)
批發、零售、進出口貿易、飲食 及酒店業 Wholesale, retail and import/ export trades, restaurants and hotels	68.4 (5.8%)	55.4 (4.7%)	57.6 (4.9%)	61.2 (5.2%)	59.4 (5.0%)
批發/零售業 Wholesale/retail	23.7 (6.5%)	21.3 (6.0%)	20.3 (5.7%)	21.5 (6.0%)	19.6 (5.3%)
進出口貿易業 Import/export trades	19.5 (3.6%)	15.3 (2.7%)	15.8 (2.8%)	17.2 (3.1%)	18.4 (3.3%)
飲食/酒店業 Restaurants/hotels	25.1 (9.2%)	18.7 (7.3%)	21.5 (8.2%)	22.6 (8.5%)	21.4 (8.2%)
運輸、倉庫及通訊業 Transport, storage and communications	19.6 (5.2%)	17.4 (4.5%)	16.5 (4.3%)	14.4 (3.8%)	12.6 (3.3%)
運輸業 Transport	16.6 (5.2%)	14.2 (4.3%)	12.9 (4.0%)	11.8 (3.7%)	10.5 (3.3%)
倉庫業 Storage	0.3 * (5.9%) *	0.3 * (4.9%) *	0.4 * (9.7%) *	0.4 * (8.8%) *	0.1 * (2.7%) *
通訊業 Communications	2.7 * (5.5%) *	3.0 (5.2%)	3.2 (5.8%)	2.2 (4.0%)	2.0 * (3.6%) *

表 4A (續) 按以前從事的行業(詳細組別)劃分的曾工作的失業人數[@]
Table 4A (Cont'd.) Unemployed persons with a previous job[@] by previous industry (detailed group)

以前從事的行業 Previous industry	2005	2006	2006	2006	2006
	第二季 [#] Q2 [#]	第一季 [#] Q1 [#]	二月至四月 [#] Feb - Apr [#]	三月至五月 [#] Mar - May [#]	第二季 [#] Q2 [#]
	人數 No. (^{'000})	人數 No. (^{'000})	人數 No. (^{'000})	人數 No. (^{'000})	人數 No. (^{'000})
金融、保險、地產及商用服務業 Financing, insurance, real estate and business services	16.5 (3.2%)	19.2 (3.6%)	19.5 (3.5%)	17.7 (3.2%)	17.4 (3.2%)
金融業 Financing	2.8 * (2.1%) *	3.0 * (2.1%) *	3.1 * (2.1%) *	3.1 * (2.2%) *	2.3 (1.6%)
保險業 Insurance	1.0 * (2.3%) *	1.8 * (4.1%) *	1.5 * (3.3%) *	1.1 * (2.4%) *	1.4 * (3.2%) *
地產及商用服務業 Real estate and business services	12.7 (3.7%)	14.4 (4.1%)	14.9 (4.1%)	13.6 (3.8%)	13.7 (3.9%)
社區、社會及個人服務業 Community, social and personal services	23.4 (2.6%)	21.8 (2.4%)	21.8 (2.4%)	20.5 (2.2%)	20.4 (2.2%)
公共行政 Public administration	0.8 * (0.7%) *	1.5 * (1.2%) *	1.7 * (1.3%) *	1.8 * (1.4%) *	1.2 * (0.9%) *
教育、醫療、其他保健及 福利服務業 Education, medical and other health and welfare services	6.9 (2.1%)	5.9 (1.7%)	5.4 (1.6%)	6.1 (1.7%)	6.2 (1.8%)
其他服務行業 Other services	15.7 (3.5%)	14.4 (3.2%)	14.8 (3.3%)	12.7 (2.8%)	12.9 (2.9%)
其他 Others	0.5 * (1.8%) *	0.4 * (1.6%) *	0.4 * (1.8%) *	0.4 * (1.7%) *	0.3 * (1.3%) *
合計 Overall					
不包括首次求職人士及重新 加入勞動人口的失業人士 Not including first-time job-seekers and re-entrants into the labour force who were unemployed	185.6 (-)	168.1 (-)	170.5 (-)	162.2 (-)	159.5 (-)
包括首次求職人士及重新 加入勞動人口的失業人士 Including first-time job-seekers and re-entrants into the labour force who were unemployed	204.6 (5.7%)	180.5 (5.0%)	180.6 (5.0%)	174.8 (4.8%)	179.0 (5.0%)

註釋： @ 不包括重新加入勞動人口的失業人士，因為沒有關於他們以前從事行業的資料。

括號內的數字是指以前從事某一特定行業組別的人士的失業率(例如：在二零零六年第二季，以前從事製造業的人士的失業率為6.0%)。有關計算按以前從事的行業劃分的失業率的技術性詳情，請參閱第三部內「失業率」的定義。

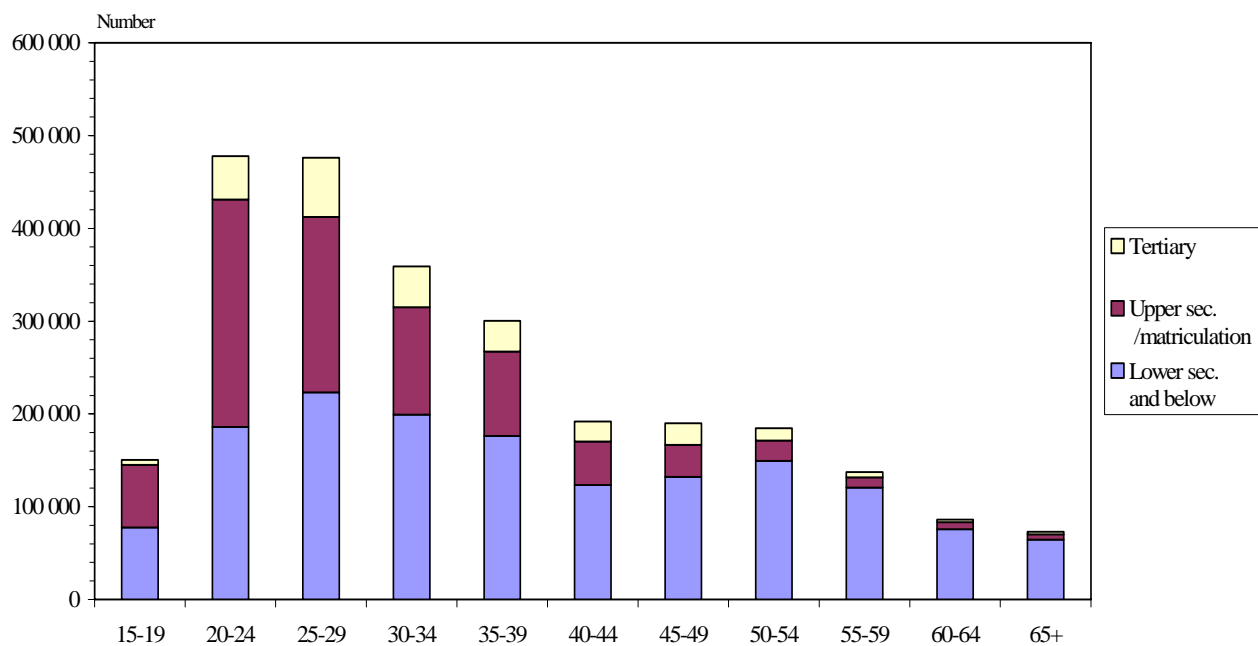
* 請參閱第二頁的註釋(3)。

Notes: @ Not including re-entrants into the labour force who were unemployed as information on previous industry of these persons is not available.

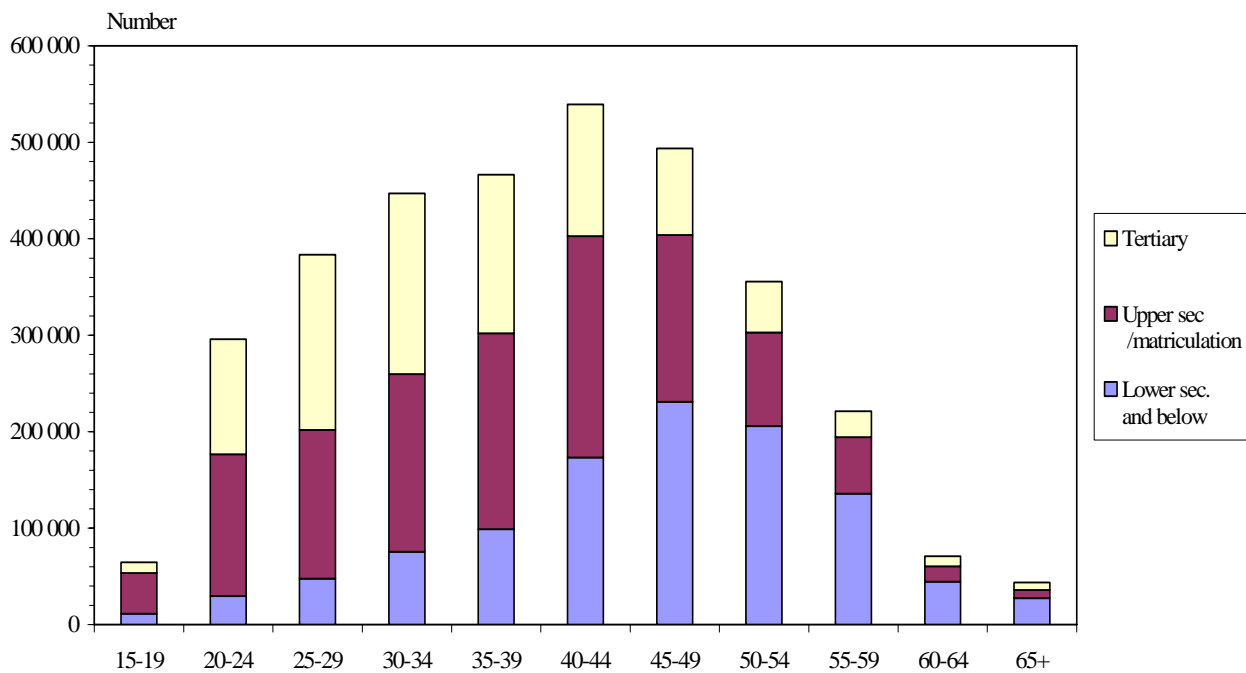
Figures in brackets denote the unemployment rate in respect of persons engaged in the specified previous industry group (e.g. the unemployment rate for those who had previously been engaged in the manufacturing sector was 6.0% for Q2 2006). For technical details of unemployment rates by previous industry, please see definition of 'Unemployment rate' in Part III.

* Please refer to Note (3) on page 2.

Labour force by age by educational attainment, 1985



Labour force by age by educational attainment, 2005



Initiatives to Promote Continuing Education in Hong Kong

Purpose

This paper outlines the key initiatives launched under the purview of the Education and Manpower Bureau (EMB) to promote and support continuing education in Hong Kong. Most of the programmes are open to applicants irrespective of their age, gender and race. The Employees Retraining Scheme (ERS), which targets at low-skilled, low-education and middle-aged displaced workers will be covered in the main paper and will not be repeated here.

Key Initiatives

A. Vocational Education and Training

2. Established in 1982, the Vocational Training Council (VTC) has been offering a very comprehensive range of vocational education, industrial training and skills upgrading to school leavers and adult learners to prepare them for employment or to enhance their employability. Admission to VTC courses are solely based on the level of education, aptitude and interest of the applicants, irrespective of their age, gender and race. The following sets out the main types of vocational education and training programmes offered by VTC for people in employment:

- (a) Through its Institute of Vocational Education (IVE) and School of Business and Information Systems (SBI), the VTC offers **part-time higher diploma/ diploma/ higher certificate/ certificate** programmes in nine disciplines of studies to in-service workers who wish to attain higher academic/vocational qualifications. The nine disciplines range from engineering, applied science, design, information technology to hotel and tourism.
- (b) **Training and skills upgrading courses** of different duration are offered by the VTC's 15 Training and Development (T&D) Centres to in-service personnel to upgrade their skills and knowledge of their respective trades.

- (c) The VTC's Institute of Professional Education and Knowledge (PEAK) provides a comprehensive range of **continuous professional development programmes** for the working population mainly in the area of financial services, management and information technology. Operated mostly on a self-financed basis, these programmes include industry-specific and technical skills short training courses, professional licensing examinations, skills assessment tests, preparatory courses for professional examinations and professional certificates and diplomas with professional and academic articulation paths.

B. Continuing Education

(a) *Continuing Education Fund (CEF)*

3. The Government launched a \$5 billion CEF in 2002 to provide financial incentives to those eligible applicants aged from 18 to 60 to pursue continuing education so as to better prepare Hong Kong's workforce for the knowledge-based economy. CEF applicants may claim reimbursement of 80% of the course fee upon completion of the course, subject to a ceiling of \$10,000 per applicant. At present, more than 5,000 approved courses in five economic sectors with high-growth potential (i.e. logistics, financial services, business services, tourism and creative industries) and three types of generic skills (i.e. language, design and interpersonal/intrapersonal skills for the workplace) are covered by the CEF. According to a recent survey, some 73% of the applicants considered the Fund useful in arousing their interests in continuing education, and more than 70% of them thought that the CEF courses were helpful in enhancing their vocational skills and self-confidence.

(b) *Skills Upgrading Scheme (SUS)*

4. The \$400 million Skills Upgrading Scheme (SUS) was launched in September 2001 to help low skill and low education workers to adapt to the changing economic environment. The Scheme currently covers 23 industries and has so far offered over 8 000 classes benefitting over 163 000 in-service workers. According to surveys conducted in 2003 and 2004, 92% of the trainees considered the SUS courses helpful in enhancing their vocational skills and 88% of them considered the Scheme has helped improve their self-confidence.

(c) Adult Education Subvention Scheme (AESS)

5. The Adult Education Subvention Scheme (AESS) was introduced in 1980 to subsidise non-governmental organisations to organise short and informal adult education programmes under particular purviews such as courses for improving basic literacy in Chinese; general education courses; retirement education courses; special education courses for the physically or mentally handicapped adults, etc. In the 2005/06 school year, there are 105 NGOs receiving subvention under the Scheme for organising 862 informal adult education programmes providing at least 19 500 places.

C. Qualifications Framework

6. To turn Hong Kong into a lifelong learning society, our education and qualification systems must provide multiple progression pathways and articulation of academic and vocational qualifications. With this objective in mind, we are developing a Qualifications Framework (QF), which is a seven-level hierarchy against which academic, vocational and continuing education qualifications can be benchmarked.

7. To ensure the relevance of the training programmes in the vocational sector, EMB has set up Industry Training Advisory Committees (ITACs) for individual industries to develop industry-specific competency standards under the QF. So far, ITACs have been formed for twelve industries, namely, Printing & Publishing, Watch & Clock, Chinese Catering, Hairdressing, Property Management, Electrical & Mechanical Services, Jewellery, Information & Communications Technology, Automotive, Beauty, Logistics and Banking. More ITACs will be established in order to cover the bulk of our workforce.

8. With well-defined standards of qualifications and clear indication of the articulation ladders between them, the QF enables all learners to set clear goals and directions for obtaining quality-assured qualifications. In the long run, the QF will promote lifelong learning, hence enhancing the capability and competitiveness of Hong Kong's human capital.

For information on
27 September 2006

Commission on Poverty

Training, Retraining and Continuing Education - Home Help and Personal Care Services

PURPOSE

To facilitate Members' discussion on training initiatives to assist the middle-aged and low-skilled unemployed, this paper provides some background information on the job opportunities in the home help and personal care market, including domestic helper service, post-natal care, and health massage/foot reflexology. It also examines the potentials of the elderly care services industry.

HOME HELP SERVICE

2. The domestic helper retraining courses provided by the ERB has proven to be effective in developing the Local Domestic Helpers' (LDHs) market. The courses help to equip job seekers with professional housework techniques, knowledge of occupational safety and health, and proper working attitude with a view to enhancing their occupational skills. To further expand the LDHs' market, the ERB introduced the Integrated Scheme for LDHs in May 2002. The Integrated Scheme seeks to provide "employer-oriented" value-added services. Under the Scheme, a centralized web-based database on LDH vacancies and LDH retrainees has been set up in 13 Regional Services Centres to facilitate effective and efficient job matching and referral for employers and LDH retrainees. The number of vacancies registered under the Scheme increased steadily from some 37,000 in 2002 to over 58,000 in 2005. On average, over 60% of these vacancies were filled by the retrainees. The overall placement rate for the retrainees was 86% in 2005-06.

POST-NATAL CARE

3. The post-natal care market is a showcase of how low-skilled, low education and middle-aged women can be organized and trained to serve a relatively new and untapped market. Notable innovative projects include the 'Healthy Mothers-to-be' - A Women and Community Networking Project funded by the Community Investment and Inclusion Fund¹. Through a well-organized

¹ A presentation was made at the Social Enterprise Conference 2006 (www.seconference.gov.hk/PPT/Noel%20Yeung.ppt).

capacity-building training and continuous development programme with professional advice and network support, unemployed women are empowered to provide post-natal companionship, mentorship and support to first-time parents. A 'Healthy Mothers-to-be' Club is formed by these post-natal mentors to promote networking and development of skills to self-manage the service operation. Separately, the ERB is also providing training course on post-natal care workers. It was introduced in March 2003 as a follow-up module of the training for LDHs. Up to July 2006, over 5,600 LDH retrainees have undergone the training. In view of the market potential of this job, the ERB also expanded the module into a full-time placement-tied course in January 2006. Up to March 2006, a total of about 170 retrainees have completed the course and the placement rate is 85%.

HEALTH MASSAGE/FOOT REFLEXOLOGY

4. Through market surveys, the ERB has assessed the local demand for health massage and foot reflexology. In parallel with the development of the two new courses, the ERB aims to establish quality assurance, conduct market promotion for this growing sector, and provide complementary employment assistance to the retrainees. Standardised retraining courses were introduced in November 2004. Up to March 2006, over 1,300 retrainees have completed the training, of whom 960 (or 72%) have joined the industry. In April 2006, the ERB commenced a pilot scheme to provide health massage and foot reflexology services to residents in some property developments through their club houses. The feedback has been encouraging in that a number of them are going to incorporate such services in the club houses on a permanent basis. The ERB would continue to explore and expand the market through other property developments and premises, as well as shopping malls, offices and educational institutions.

ELDERLY CARE SERVICE

Existing residential care services for the elderly

5. Currently, residential care homes for the elderly (RCHEs) is an important part of the elderly care service industry in Hong Kong. They are run by both the private sector and non-governmental organizations (NGOs). Amongst them, a large proportion of RCHEs are private homes (PHs). As at end April 2006, there were a total of 748 RCHEs with 573 (77%) operated by private service providers and 175 (23%) run by NGOs. These RCHEs offer a total of about 73,000 places, out of which, about 27,000 (37%) are subsidized places.

6. There are two broad categories of formal care workers in the sector, namely health workers (HWs)² and personal care workers (PCWs)³. Since April 2006, applicants for admission to the HW training courses must have attained a minimum of Form 5 education level. PCWs or other ancillary workers may be more suitable for the low-education and low-skilled unemployed. As at 27 June 2006, the numbers of PCWs and ancillary workers employed by 748 RCHEs are 8,681 and 4,798 respectively.

Training for employment as formal care workers

7. There are training and re-training courses for the existing and new care workers. The SWD provides training for care workers and home helpers. The ERB provides retraining courses, including tailor-made programmes on PCWs for specific RCHEs. In 2005-06, about 3,200 retrainees completed the PCW training and the overall placement rate was 83%. The Vocational Training Council also runs a series of training courses for care workers, funded by the Skills Upgrading Scheme.

Manpower demand by RCHEs

8. Despite the availability of job vacancies, the industry associations⁴ pointed out that most PHs face a shortage of care workers. The current issue is not the lack of suitable training to help the low-skilled unemployed to enter the elderly residential care sector. Given the current wage level, working conditions and career prospects, not many people are willing to enter the industry. The SWD has been working with the industry associations to explore possible relief measures including the provision of training for care staff. In this connection, the Qualifications Framework being established by the EMB should help establish clearer articulation ladders between different qualifications in order to improve the career prospects of care workers, hence enticing more people to take up the elementary level jobs.

² A health worker (HW) is responsible for the overall health care of residents living in RCHEs including providing medical information on residents, devising health plans, providing routine basic medical checks and supervising the intake of medicine by residents etc. A minimum F.5 education level is required for HWs.

³ A personal care workers (PCW) is to assist nurses and HWs to provide daily personal care services to the residents. According to the industry associations, a large number of PCWs are newly arrived middle-aged women with low education and skill levels.

⁴ The Hong Kong Association of the Private Homes for the Elderly and the Hong Kong Private Nursing Home Owners Association.

Potentials of the home help market

9. Similar to many other places in the world, Hong Kong is facing an ageing population. According to the consultation document on Hong Kong Population Trends and Overseas Perspectives recently released by the Council of Sustainable Development⁵, Hong Kong's elderly population (those aged 65 or above) is projected to rise from 836 400 in 2005 to 2 243 100 in 2033. Hong Kong people also enjoy a long life expectancy. The respective life expectancy at birth of male and female will increase from 78.8 years and 84.4 years in 2005 to 82.5 years and 88.0 years in 2033. While the trend presents some challenges to our society, it also presents potential opportunities in the development of elderly care service industry, and the related job opportunities in particular for the low-skilled workers.

10. Besides formal care delivered through RCHEs, the Government is also actively promoting ageing in the community. Currently, there are some efforts in promoting training for informal carers (e.g. family members, relatives, neighbours, domestic helpers, volunteers etc.) to provide home care for elders. The Elderly Commission considers that in view of the increasing role of informal carers in taking care of elders ageing in the community, the Administration should further consider training opportunities for informal carers.

Social enterprise as a model

11. Overseas experience indicates that social enterprise is a model to integrate the provision of training and placement opportunities for the low-skilled unemployed, and the provision of quality care services, including for the elderly. The model encourages bottom-up solutions and innovative approaches to address the needs of the unemployed as well as service clients. The industry associations as well as some non-governmental organizations reflected that they would look into possibility of establishing new social enterprises to provide quality care services to the elderly.

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⁵ Table 1.1 and table 1.3, Chapter 1, Hong Kong Population Trends and Overseas Perspectives.
http://www.susdev.org.hk/en/paper/paper_ch1.asp

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Commission on Poverty

Training, Retraining and Continuing Education - Training and Employment Opportunities in the Hotel Industry

PURPOSE

To facilitate Members' discussion on training initiatives to assist the middle-aged and low-skilled unemployed, this paper provides some background information on the potential job opportunities in the hotel industry, as well as the relevant training and retraining efforts.

BACKGROUND

2. During our previous discussion on assisting the unemployed to move from "welfare to self-reliance", some CoP Members noted that the growth of the tourism and hotel industries should provide potential job opportunities for low-skilled workers, and suggested the Government to take this into account in designing employment assistance and training programmes. We have explored the subject subsequently with the two hotel associations in Hong Kong¹, the Employees Retraining Board (ERB), the Social Welfare Department (SWD) and the Women's Commission (WoC).

MANPOWER DEMAND OF THE HOTEL INDUSTRY

3. The hotel industry is one of the key growth industries in Hong Kong. There were 26 348 persons working in the hotel industry as at March 2006². The Hong Kong Tourism Board estimated the number of hotels would increase from 117 as at March 2006 to 155 in 2010.³ 7 700 new jobs are expected to be created in the hotel industry by 2010⁴.

¹ The Federation of Hong Kong Hotel Owners, and the Hong Kong Hotels Association.

² Table 6, Quarterly Report of Employment and Vacancies Statistics, Census and Statistics Department.

³ Report on "Hotel Supply Situation – as at March 2006" produced by the Hong Kong Tourism Board.

⁴ The employment opportunities were estimated based on the number of staff to hotel room ratio obtained from the report of "Hotel Supply Situation – as at March 2006" produced by the Hong Kong

4. The continued development of the tourism and hotel industries as well as the labour-intensive nature of the hotel business offers positive future job growth. Nevertheless, according to the hotel associations, the actual demand for low-skilled workers should be qualified by the following factors -

- (a) Adjustment in the number of new hotel projects – the projected increase in the number of hotels should be qualified by an increasing number of alternative accommodation (such as guesthouses, service apartments and hostels) which do not require a high staff-to-room ratio. The recent increasing demand for commercial premises might also postpone some of the hotel development projects; and
- (b) Staff requirements – Besides having good soft skills and a positive work attitude, the hotel industry increasingly looks for frontline staff who are multi-skilled in order to deliver flexible and customer-oriented services to guests (e.g. front-desk, telephone operators, concierge). “Back of the house” jobs which have less interaction with guests (room attendants, cleansing and maintenance staff) may be more suitable to retrainees with low-skills and low-education.

TRAINING FOR EMPLOYMENT IN THE TOURISM AND HOTEL INDUSTRIES

5. There are a wide variety of catering, tourism and hospitality training places offered by the tertiary institutions, trade associations, including the Vocational Training Council (VTC), the Hong Kong Institute of Vocational Education (IVE) and the Employees’ Retraining Board (ERB). Amongst them, training bodies under the ERB provide training courses most relevant to the middle-aged and low-skilled unemployed, e.g. housekeeping/room attendants⁵. In the past two months, the ERB introduced standardized courses on hotel room attendant and hotel public area cleaner to capture the job opportunities in the hotel industry.

6. While the job opportunities suitable for the “difficult-to-employ” might not be as rosy as it appears, the ERB will continue to work closely with the hotel associations on the content of the re-training programmes so as to ensure the

Tourism Board.

⁵ In the past few years, the ERB offered a training course on “Housekeeper/Room Attendant” (酒店房務員). The number of graduates in 2004-05 and 2005-06 were 1 364 and 2 080 respectively, and the respective placement rates were 81% and 83%.

courses continue to meet the needs of the hotel industry. The ERB stands ready to design tailor-made re-training programmes upon request of the employers to suit their specific needs.

7. In addition, during the discussion with the hotel associations, it was noted that the following training/re-training measures could be strengthened to assist the unemployed in entering the industry -

(i) Job Skills Enhancement through Intensive Employment Assistance Project (IEAP) Operating Agencies

8. According to the SWD, some IEAP operating agencies are referring their IEAP participants to some hotels for job trials. It was noted that jobs like overnight cleaning are suitable for the low-skilled unemployed Comprehensive Social Security Assistance recipients when they first re-entered the labour market. In this regard, the SWD would work closely with the IEAP operating agencies to provide more suitable training to enhance the skill level of the IEAP participants and to facilitate their finding suitable jobs in the hotel industry.

(ii) Job Placement Opportunities for the Unemployed

9. The hotel associations expressed that training and employee turnover was a major cost item in the industry. While the associations could encourage their members to employ more "difficult-to-employ", it was noted that incentives from the Government, e.g. the Employment Programme for the Middle-aged and the Work Trial Scheme (WTS) of the Labour Department (LD), could help encourage more placement and work trial opportunities for the middle-aged and low-skilled unemployed. The LD will continue to promote these two schemes to the hotel industry. The ERB would explore with the LD as to whether the retrainees could join the schemes so as to enhance their employment prospects in the hotel industry.