

For information
18 June 2013

Legislative Council Panel on Manpower

The Latest Development of the Employment Services of the Labour Department

Purpose

This paper briefs Members on the latest development of the employment services of the Labour Department (LD).

Strengthening support for job seekers with different employment difficulties

2. LD operates a wide range of employment services and programmes to provide customised employment support to job seekers with different needs. We constantly review the operation of the services and make adjustment or implement enhanced measures at appropriate timing in the light of prevailing employment market situation so as to help job seekers find work more effectively.

3. To meet the employment needs of young people, the middle-aged and persons with disabilities, LD implements the Youth Employment and Training Programme (YETP) (formerly known as the Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme), the Employment Programme for the Middle-aged (EPM) and the Work Orientation and Placement Scheme (WOPS) to provide them with appropriate employment support services.

4. At present, YETP and EPM encourage employers to provide on-the-job training posts for young school leavers aged 15 to 24 with educational attainment at sub-degree or below level, and middle-aged job-seekers aged 40 or above through the provision of on-the-job training allowance. The payment period of the training allowance for YETP is six to 12 months, while that for EMP is three to six months. Besides, young people participating in the work attachment training under YETP will be paid an allowance upon completion of the one-month attachment. On the other hand, an eligible employer participating in WOPS will also be paid an allowance for employing a job seeker with disabilities and providing him/her with appropriate training, support and assistance.

5. To encourage employers to offer more openings to young people, the middle-aged and persons with disabilities and provide them with on-the-job training for enhancing their employability and employment opportunities, LD has increased the allowance payable to employers under the above-mentioned employment programmes with effect from 1 June 2013. Details are provided as follows:

(a) YETP

- (i) The training allowance payable to employers who engage young people according to the programme requirements and provide them with on-the-job training¹ has been increased from \$2,000 per month to \$3,000 per month for each employee engaged.
- (ii) To encourage participation in workplace attachment training under YETP, the allowance payable to the trainees who complete the one-month attachment has been increased from \$2,000 to \$3,000.

(b) EPM

The training allowance payable to employers who engage middle-aged persons aged 40 or above with employment difficulties according to the programme requirements and provide them with on-the-job training² has been increased from \$2,000 per month to \$3,000 per month for each employee engaged.

(c) WOPS

An employer who employs a person with disabilities with employment difficulties, and provides him/her with training, support and a mentor in the first two months of work adaptation period, will be paid an allowance up to a maximum of \$5,500 per month³. After the aforesaid two-month work adaptation period, the employer can continue to receive an allowance offered under

¹ The salary of the concerned post should meet the statutory minimum wage requirement and is not less than \$6,000 per month. Should the working hours of the post be shorter such that the monthly salary is less than \$6,000 per month, the on-the-job training allowance payable to the employer will remain at \$2,000 per month.

² Same as above.

³ The salary of the concerned post must not be less than the statutory minimum wage rate. Eligible employers are entitled to an allowance equivalent to the amount of actual salary paid to the employee with disabilities minus \$500 per month during the first two months of employment, subject to a ceiling of \$5,500.

WOPS which is equivalent to two-thirds of the monthly salary of the employee (subject to a ceiling of \$4,000 per month) for a maximum period of six months.

Launching the “Career Get-Set-Go”, a special summer programme to help secondary school graduates find work

6. As some secondary school leavers may choose to enter the employment market upon graduation, LD launched the “Career Get-Set-Go”, a special summer programme, in May this year to cater for their pre-employment training and employment needs. To equip them for employment, we will organise a series of activities from May to August that can help the graduates grasp the latest employment information, devise future career path and enhance their employment competitiveness. These activities include career assessment, career planning workshop, briefing on job search channels, workshop on writing resume and job application letter, interactive drama on job interview skills and etiquette, and talk on job traps and the Employment Ordinance, etc.

7. Moreover, LD will canvass suitable vacancies and organise a number of large-scale job fairs from May to August to bring the latest vacancy information to the graduates. LD will also organise district-based or industry-specific job fairs in job centres and the two recruitment centres for the catering and retail industries. Graduates participating in the job fairs can apply for jobs and attend job interviews with employers from different industries on the spot, thereby saving their time in job search.

8. We have set up a dedicated webpage (www.jobs.gov.hk/careergetsetgo) for the “Career Get-Set-Go” to facilitate the graduates to obtain information on the activities and job search. Vacancies without requiring working experience are also listed at the dedicated webpage to facilitate application by the graduates.

Review of the YETP training courses

9. YETP of LD provides a comprehensive platform of job search with one-stop and diversified pre-employment and on-the-job training for young school leavers aged 15 to 24 with educational attainments at sub-degree or below level. The programme enables young people to better understand themselves and their work aptitudes while enriching their job skills and experience so as to enhance their employability. LD constantly reviews the training courses of YETP so as to meet the training and employment needs of the young people in a more flexible and appropriate manner.

10. In 2008, the Education Bureau launched the Qualifications Framework

(QF) covering the academic, vocational, and continuing education and training sectors with a view to helping Hong Kong people set clear goals and directions for continuous learning and obtain quality-assured qualifications. In March 2009, we informed Members that YETP would by phases seek accreditation of the pre-employment training courses under QF. Thereafter, we further examined the appropriateness of accrediting the YETP courses under QF and took into account the experience accrued after the launch of the revamped YETP in the 2009/10 programme year. We eventually come to the view that seeking accreditation of the YETP courses may not best serve the needs of our trainees with diversified background, educational attainments and interests.

11. YETP is an employment-oriented programme. Its major objective is to enable the young people to understand themselves and their career aspiration clearly as well as to gain a better understanding of the situations and requirements of various industries/occupations, by providing them with a wide range of pre-employment and on-the-job training and employment support services, in particular, the case management services (including career guidance and employment support) provided by registered social worker. The pre-employment training courses of the programme comprise two parts, namely, core course (job search and interpersonal skills training) and elective courses. The core course provides trainees with 48-hour training on job search and interpersonal skills to help the trainees acquire a basic knowledge of life and career planning, interpersonal skills, job search methods, etc. Furthermore, during the service period, YETP trainees may enrol in at most four elective courses covering introductory courses on discipline and motivation, computer application and job-specific skills. The job-specific skills training covers a wide diversity of industries/occupations including clerical jobs, information technology, beauty culture, tourism, hotel, catering industry, pet grooming and care, etc. The training hours are around 100 to 180, which are shorter than other structured vocational training courses. These courses aim at facilitating the trainees to have a basic understanding of the relevant industries so as to find out whether he/she is interested in joining a particular industry.

12. To enable all young people with employment needs to join YETP, we have not set any minimum requirement on educational attainment and the applicants are not required to pass any selection interviews when enrolling on the training courses. As such, YETP can now take up all young people who intend to find work. However, if the courses under YETP are to seek accreditation under QF, LD as well as the training bodies (including those non-governmental organisations which are serving young people with different background) will have to effect changes to meet the requirements on programme content, structure, outcome, learner assessment, admission requirements and learner selection, etc set by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications. We may therefore lose the existing

flexibility in respect of course admissions. In addition, those trainees who have completed the course but failed to pass the assessment may lose their confidence, thus impeding their volition in job search. On the other hand, there are already quite a number of professional training bodies offering a wide variety of vocational training courses which have been quality assured under QF for those young people who have clear career goals in mind. In view of the above, we consider that YETP should retain its unique features of offering pre-employment training in the form of short taster courses for the young people. This will enable the trainees to expose to various industries and find out the requirements and working conditions of different jobs within a short period of time. With widened vision, the trainees can choose suitable occupations and determine whether they should pursue structured vocational training or on-the-job training.

Setting up a new job centre in Tung Chung

13. At present, LD operates a network of 12 job centres (including the Employment in One-stop) throughout the territory to provide a comprehensive range of free employment services to job seekers. To strengthen the employment services to residents living in the remote districts, we will set up a new job centre in Tung Chung in 2013-14.

14. Like other job centres, the Tung Chung Job Centre will provide job referral services and the latest employment information, and organise employment briefings and recruitment days to help job seekers find work. Facilities, including vacancy search terminals, fax machines, telephones, computers with resume-building software and employment resources corner will be publicly available in the job centre for job search purpose. Job seekers with employment difficulties can also enrol in the specialised employment programmes of LD to enhance their employability. LD will proactively contact employers in the district and strengthen collaboration with them. Job fairs will be staged in the job centre and job seekers can make job applications or attend job interviews on the spot so as to increase their chances of getting employed.

15. The preparatory work for setting up the new job centre, including identifying suitable premises within the district for the new job centre, is in full swing, in order that the new Tung Chung Job Centre can commence operation as soon as possible. When the job centre is set up, residents living on the Lantau Island, including Tung Chung, Mui Wo and Tai O may make use of the employment support services of this job centre, thus reducing the time and travelling expenses incurred by these job seekers in obtaining employment services.

A review of the effectiveness of the Pilot Employment Navigator Programme

16. In June 2010, LD obtained a funding from the Finance Committee of the Legislative Council to implement the Pilot Employment Navigator Programme (ENP) for two years. The Pilot ENP was launched on 13 December 2010 with an objective of assisting and motivating the unemployed to secure and sustain in employment by providing them with personalised employment consultation services and cash incentive. ENP participants who secure and work in jobs that meet the programme requirements⁴ after receiving employment consultation services for at least one month may apply for the cash incentive. The amount of cash incentive is up to a maximum of \$5,000 if the participant stays in the job for three months. Eligible participants will be paid the cash incentive in three stages, including \$500 upon reporting duty to a new job and completion of the first day of employment, \$1,500 after staying in the job for one month and \$3,000 after staying in the job for three months. A participant is eligible for each stage of payment once.

17. The two-year period of the Pilot ENP ended on 12 December 2012. During the period, a total of 8 166 job seekers joined the Pilot ENP and received intensive employment consultation services. As at the end of May 2013, apart from 1 007 participants who could not be contacted or who were not willing to provide information on their employment situation, and 459 participants who had stopped looking for jobs for personal or health reasons, we found that among the remaining 6 700 participants, 5 926 (i.e. 88.4%) had secured employment. A breakdown of the participants by age and educational attainment is provided at Appendix 1 while a breakdown of the participants who had secured employment by occupation and industry is provided at Appendix 2.

18. As at the end of May 2013, LD received a total of 2 493 applications for cash incentive from 1 087 participants. Of these, 2 391 applications were approved, involving a total payout of \$3.42 million. The number of participants who were approved cash incentive at various stages and the amount of cash incentive involved is provided at Appendix 3. The reasons for the remaining participants who had secured employment but had not been granted cash incentive are provided at Appendix 4.

19. LD conducted a review on the Pilot ENP in the fourth quarter of 2012. It was observed that during the period the Pilot ENP was implemented, the

⁴ The Pilot ENP requires that participants applying for the cash incentive must be (i) employed to fill a vacancy listed under LD's employment service, and (ii) employed in a full-time permanent post offering a monthly salary not exceeding the salary ceiling of the programme. Starting from 1 April 2012, the salary ceiling under the Pilot ENP has been adjusted from \$6,500 to \$7,300 per month.

employment market remained buoyant and the number of job openings had continuously increased. The employment situation had much improved when compared to the time when the Pilot ENP was first formulated and launched. Job seekers found it easier to find work through their own efforts and the number of job seekers requiring LD's intensive employment counseling had turned out to be much smaller than originally expected. Besides, following the implementation of the statutory minimum wage, the wage level in the employment market had increased, rendering the cash incentive comparatively less attractive in motivating the participants to stay in jobs. LD had in June 2012 conducted a survey on the length of employment of the participants who had secured employment and analysed the length of employment in respect of those participants who settled in jobs and were eligible for cash incentive and that of those participants who were not eligible for cash incentive. For those cases eligible for cash incentive and had their employment terminated, 40% of the termination occurred in their first month of employment, a percentage which was similar to that of those cases not eligible for cash incentive. The findings indicated that the effect of cash incentive in sustaining the participants' employment was not significant. The survey revealed that the participants would consider mainly the working environment, the workplace location or other personal factors in deciding whether to stay in the jobs. In view of the above review findings, we decided to end the programme on completion of its two-year trial period and had stopped admitting new participants since 13 December 2012⁵.

20. Following the cessation of the Pilot ENP, LD provided employment advisory services at all job centres. Job seekers who wish to obtain job search advice may meet the employment officers at the job centres. There is no limit on the number of requests for service. The employment officers will provide the latest vacancy situation in the employment market and information on training/retraining courses according to the needs of individual job seekers. They can also administer career aptitude assessment for job seekers and/or provide job search advice. Besides, they will assist job seekers with employment difficulties to enrol in the employment programmes of LD so as to enhance their employability. As at the end of May 2013, a total of 955 job seekers had made use of the service and more than 1 000 sessions of employment advisory service had been provided.

⁵ To enable job seekers who joined the Pilot ENP in the late stage of the programme to apply for cash incentive, LD has extended the deadline for cash incentive application to 30 June 2013. So long as the participants can secure an employment which meets the requirements of the Pilot ENP and commence working for the employer on or before 30 June 2013, they can still apply for the cash incentive after completing the prescribed length of service.

Conclusion

21. The LD will endeavour to provide various effective and convenient employment support services to assist job seekers in looking for employment. Members are invited to note the contents of this paper and give their advice.

Labour and Welfare Bureau
Labour Department
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Age and Educational Attainment of the ENP Participants

Breakdown by Age

Age	Number of Participants (Percentage)
15 – 19	414 (5.0%)
20 – 29	2 414 (29.6%)
30 – 39	1 606 (19.7%)
40 – 49	1 913 (23.4%)
50 – 59	1 541 (18.9%)
60 or above	278 (3.4%)
Total	8 166 (100%)

Breakdown by Educational Attainment

Educational Attainment	Number of Participants (Percentage)
Primary 6 or below	562 (6.9%)
Secondary 1 – 3	1 829 (22.4%)
Secondary 4 – 5	3 341 (40.9%)
Secondary 6 – 7	687 (8.4%)
Post-secondary	1 747 (21.4%)
Total	8 166 (100%)

**Breakdown of the ENP Participants Who Had Secured Employment
by Occupation and Industry
(As at the end of May 2013)**

Breakdown by Occupation

Occupational Group	Number of Participants (Percentage)
Managers and administrators	22 (0.4%)
Professionals	132 (2.2%)
Associate professionals	536 (9.0%)
Clerical support workers	1 558 (26.3%)
Service workers	845 (14.3%)
Shop sales workers	521 (8.8%)
Agriculture, animal husbandry and forestry workers and fishermen	5 (0.1%)
Craft and related workers	121 (2.0%)
Plant and machine operators and assemblers	72 (1.2%)
Elementary occupations	1 820 (30.7%)
Other occupations	48 (0.8%)
Did not disclose information on occupation	246 (4.2%)
Total	5 926 (100%)

Breakdown by Industry

Industry	Number of Participants (Percentage)
Manufacturing	515 (8.7%)
Construction	204 (3.4%)
Wholesale, retail, import/export trades, restaurants and hotels	1 802 (30.4%)
Transportation, storage and communications	354 (5.9%)
Financing, insurance, real estate, professional and business services	1 420 (24.0%)
Community, social and personal services	1 142 (19.3%)
Other industries (including Government)	243 (4.1%)
Did not disclose information on industry	246 (4.2%)
Total	5 926 (100%)

**Number of ENP Participants Approved Cash Incentive
at Various Stages
(As at the end of May 2013)**

	Number of Participants approved cash incentive	Amount of Payment involved (\$ in thousands)
First stage cash incentive (Completion of the first day of employment)	1 036	518
Second stage cash incentive (Completion of the first month of employment)	775	1162.5
Third stage of cash incentive (Completion of three months of employment)	580	1740
Total		3,420.5

**Major Reasons of ENP Participants Who Had Secured Employment
But Had Not Been Granted Cash Incentive
(As at the end of May 2013)**

Reason	Number of Participants (Percentage)
The employment offered a salary exceeding the monthly salary ceiling	2 759 (57.0%)
The vacancy filled by the participant was not listed under LD's employment service	733 (15.1%)
The job secured was not a full-time permanent post	576 (11.9%)
The participant had received employment consultation services for less than one month	457 (9.4%)
Others ⁶	68 (1.5%)
No reason provided by the participant	246 (5.1%)
Total	4 839 (100%)

⁶ Including the participant has not yet submitted application, the participant has not completed the first day of employment, etc.