

立法會
Legislative Council

LC Paper No. CB(2)853/13-14(06)

Ref : CB2/PL/MP

Panel on Manpower

**Background brief prepared by the Legislative Council Secretariat
for the meeting on 18 February 2014**

Youth employment

Purpose

This paper gives an account of the past discussions of the Panel on Manpower ("the Panel") on issues relating to youth employment.

Background

2. According to the Census and Statistics Department, the overall unemployment rate in Hong Kong between September and November 2013 was 3.3% while the unemployment rate for young people aged 15 to 24 stood at 10.1%¹ in the same period. To facilitate youth employment, the Administration has currently administered various specialized employment programmes, including the Youth Employment and Training Programme ("YETP")², Action S5 under YETP, Youth Employment Start ("YES") and the Special Training and Enhancement Programme under the Support for Self-reliance Scheme, with an aim to providing young people with appropriate pre-employment training, work attachment, on-the-job training and tailor-made employment support services.

3. The Labour Department ("LD") also provides free employment services to job seekers including young people through a network of 12 job centres, two recruitment centres for the catering and retail industries, two youth employment resources centres, a telephone employment service hotline and an interactive employment service website as well as the various vacancy search terminals installed at various locations in the territory.

¹ Further breakdown indicated that the unemployment rate for people aged 15-19 was 14.6% while that for those aged 20-24 was 9.3% between September and November 2013.

² Formerly known as the Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme.

Deliberations of the Panel

High unemployment rate of young people

4. The Panel was very concerned about the relatively high unemployment rate of young people. Some members considered that it was attributed to the failure of the existing education system in meeting the needs of multiple talents of young people at school age. To cater for the increasingly diverse values in the community and the multi-faceted demands on Hong Kong's workforce in the face of rapid changing technology and increasing globalization, members urged the Administration to inject more diversity into the education system to give students more choices in the selection of schools and curricula which could cater for individual aptitude and interests. Members also requested the Administration to co-ordinate the work of various policy bureaux and government departments for optimal use of resources to help the youth develop their potentials and upgrade their vocational skills as well as secure employment in the labour market.

5. The Administration explained that the unemployment rate of young people was persistently higher than the overall unemployment rate. This phenomenon was not peculiar to Hong Kong and was encountered by economies at various stages of economic development. Young people were more susceptible to unemployment because of a variety of factors, including their limited work experience and low academic qualifications and skills level. The Administration further advised that it would consider organizing more tailor-made and value-adding training-cum-employment projects in collaboration with employers and training bodies, such as the Vocational Training Council ("VTC").

6. Some members held the view that the problem of youth unemployment arose from a mismatch between manpower supply and job positions. The Administration was urged on one hand to conduct sector-specific manpower requirement projection for various industries to facilitate the tertiary institutions to have better course planning to meet the anticipated manpower demand, and on the other hand to provide young people and students with information on the manpower requirements in the labour market. The Administration stressed that the Labour and Welfare Bureau ("LWB") and relevant bureaux and departments would continue to keep under review the sectoral manpower requirement and supply in consultation with the respective bodies and education institutions in ensuring adequate human resources for various industries.

Measures to promote youth employment

7. Members were advised that to meet the employment needs of young people, LD implemented YETP to encourage employers to provide on-the-job training posts for young school leavers aged 15 to 24 with educational attainment at sub-degree level or below. Without pre-set quota for round year enrolment,

YETP provided trainees with personalized career counselling, pre-employment training, workplace attachment training, on-the-job training, special employment projects and case management services to overcome any impediments to employment. According to the Administration, as at September 2013, over 190 000 young people had joined the Programme. Besides, YETP office conducted a trainee development survey each year covering the trainees who had enrolled on the Programme and completed the 12 months' support services. For the last three programme years, over 70% of them were in employment at the time of survey.

8. To encourage participation in workplace attachment training under YETP, members were advised that following the announcement in the Chief Executive's 2013 Policy Address, LD had since June 2013 increased the amount of allowance under YETP payable to the trainee who had completed the one-month attachment from \$2,000 to \$3,000. The on-the-job training allowance payable to the employer had also been increased to \$3,000 on the condition that the trainee was employed according to the programme requirements and paid \$6,000 or above a month. To encourage young people to participate in pre-employment training under YETP, the training allowance payable to the trainees who had an attendance rate of 80% or above in a training course had with effect from September 2013 been increased from \$30 to \$50 per day.

9. Some members expressed concern about employment assistance to the young people with special employment difficulties and the "hidden youths". The Administration advised that for young people aged 15 to 24 who had acute employment difficulties due to low educational attainment, emotional/behavioral problems, social handicaps, learning difficulties or other employment barriers, LD had launched a special employment project, viz. Action S5 under YETP, to offer 500 on-the-job training and internship places of 12 months' duration to these vulnerable youths through placements in non-governmental organizations ("NGOs"). According to the Administration's further information on the employment situation of the trainees who had enrolled in Action S5 in response to members' request at the Panel meeting on 20 October 2011, Phase One of the project ran from October 2010 to October 2011 and 109 trainees were enrolled. Of them, 70 completed the 12-month on-the-job training. The major reasons for dropping out during the training were further study/training or having other employment opportunities. Phase Two of the project with 144 enrolled trainees was carried out from February 2012 to February 2013. Phase Three of the project would be rolled out in the third quarter of 2012 to cater for those needy secondary school graduates. The Administration advised that the project would be extended if the circumstances warranted.

10. Members were further advised that LD had collaborated with NGOs providing outreaching services for youths at risks including "hidden youths" in launching various special training programmes tailor-made for them. Under these special programmes, courses were designed with ample flexibility, including the provision of small-size classes with shorter durations and evening classes, in order to sustain trainees' interests in receiving pre-employment training and not to exert undue pressure on them.

11. Having expressed concern about the quality of the services provided by NGOs participating in Action S5 and queried how their work would be monitored, members were advised that the services provided by NGOs participating in Action S5 were considered reliable given that NGOs concerned had been engaged in the provision of youth services for a long time and had been partnering with the Administration in providing counselling and case management services under YETP. LD would liaise closely with NGOs and trainees to ensure that the targeted youths under the project were making steady progress in career and personal developments.

12. Some members queried the need for Action S5 when YETP was in place to help youths seek employment. The Administration explained that while YETP provided on-the-job training in the private sector, Action S5 offered an opportunity for the vulnerable youths to work in a protected environment instead, under which day-to-day supervision and training were undertaken by mentors to help them change their mind-set as well as working attitude so as to get ready to take up employment in the open market.

13. There was a view that LWB should liaise with the Education Bureau with a view to providing secondary school students with career development support/programmes to facilitate their better understanding of the labour market and their own career aspirations at an early stage. According to the Administration, LD had operated two Youth Employment Resource Centres, i.e. YES at Mongkok and Kwai Fong since 2007 and 2008 respectively. As operated in tandem with YETP, YES offered to young people aged 15 to 29 with different backgrounds and development needs one-stop advisory and support service on employment and self-employment including career assessment, career guidance, provision of job search facilities and self-employment support as well as customized training and development programmes.

Latest development

14. At the Panel meeting on 27 January 2014 when members were briefed on the Chief Executive's 2014 Policy Address, members were advised, among others,

that the Administration would introduce the following new initiatives to facilitate youth employment -

- (a) in the first quarter of 2014, LD and VTC would jointly launch a pilot project, namely "Achieve the PoTEENTial", which was expected to provide about 300 on-the-job training places each year for youngsters;
- (b) VTC would extend the Pilot Traineeship Scheme to the retail industry and the elderly care services industry in 2014, providing 180 on-the-job training places for each industry in 2014-2015;
- (c) additional resources would be allocated to expand the "first-hire-then-train" pilot scheme which had been first introduced under Lotteries Fund in 2013 with an aim to providing young people with employment opportunities at residential care homes for the elderly and subsidies to pursue a two-year part-time course offered by the Open University of Hong Kong. The enhanced scheme would cover rehabilitation services and provide an additional 1 000 places for young people who graduated at Secondary 5 or Secondary 6 level in the coming few years; and
- (d) LD would continue to explore with more suitable jurisdictions to establish bilateral Working Holiday Scheme in 2014 so that more young people could enrich their global exposure.

Relevant papers

15. A list of relevant papers on the Legislative Council website is in the **Appendix**.

Council Business Division 2
Legislative Council Secretariat
12 February 2014

Appendix

Relevant papers on youth employment

Committee	Date of meeting	Paper
Panel on Manpower	14.12.2009	<u>Agenda</u> <u>Minutes</u>
Panel on Manpower	21.1.2010	<u>Agenda</u> <u>Minutes</u>
Legislative Council	27.1.2010	<u>Official Record of Proceedings</u> <u>(Question 11)</u>
Panel on Manpower	26.4.2010	<u>Agenda</u> <u>Minutes</u>
Legislative Council	13.6.2012	<u>Official Record of Proceedings</u> <u>(Question 14)</u>
Panel on Manpower	20.6.2012	<u>Agenda</u> <u>Minutes</u> <u>CB(2)2601/11-12(01)</u>
Panel on Manpower	25.1.2013	<u>Agenda</u> <u>Minutes</u>
Legislative Council	30.1.2013	<u>Official Record of Proceedings</u> <u>(Question 8)</u>
Legislative Council	24.4.2013	<u>Official Record of Proceedings</u> <u>(Question 6)</u>
Legislative Council	8.5.2013	<u>Official Record of Proceedings</u> <u>(Question 7)</u>
Legislative Council	15.5.2013	<u>Official Record of Proceedings</u> <u>(Question 17)</u>

Committee	Date of meeting	Paper
Legislative Council	5.6.2013	<u>Official Record of Proceedings (Question 19)</u>
Panel on Manpower	18.6.2013	<u>Agenda</u> <u>Minutes</u>
Panel on Manpower	31.7.2013	<u>Agenda</u> <u>Minutes</u> <u>CB(2)1776-/12-13(01)</u>
Legislative Council	20.11.2013	<u>Official Record of Proceedings (Question 22)</u>
Panel on Manpower	27.1.2014	<u>Agenda</u>

Council Business Division 2
Legislative Council Secretariat
12 February 2014