For discussion on 12 July 2021

Legislative Council Panel on Public Service Implementation Progress of the Job Creation Scheme

Purpose

This paper briefs Members on the implementation progress of the Job Creation Scheme.

Background

- 2. To relieve the unemployment situation due to the epidemic and the anti-epidemic measures, the Government has earmarked \$6.6 billion under the Anti-epidemic Fund in 2020 to create around 30 000 time-limited jobs in the public and private sectors within two years for people of different skill sets and academic qualifications (hereinafter referred to as "Job Creation Scheme 1.0"). In view of the persistently high unemployment rate, the Government announced in the 2021-22 Budget in February this year to further allocate \$6.6 billion to create around 30 000 additional time-limited jobs (hereinafter referred to as "Job Creation Scheme 2.0"). Around 60 000 time-limited jobs in total will be created for the local labour market under the two rounds of the Job Creation Scheme.
- 3. Under the Scheme, in addition to bearing the salary of the additional staff for time-limited jobs employed by various bureaux and departments ("B/Ds"), the Government subsidises part of the cost of the additional staff employed by the non-governmental sector in order to increase the overall number of jobs to be created for providing more employment opportunities.

Implementation Progress of Job Creation Scheme 1.0

4. With the concerted effort of various B/Ds and the relevant organisations, around 31 000 time-limited jobs have been created under Job Creation Scheme 1.0 so far. About half of these jobs are created in the Government while the remaining half are created in the non-governmental sector. The recruitment and filling of around 25 000 jobs have been completed. The recruitment of the remaining some 6 000 jobs is in full swing.

Jobs created in the Government

- 5. The time-limited jobs created in the Government mainly include Non-civil Service Contract positions, manpower requirements under government service contracts (for example, agency workers or outsourcing workers used under contracts), and manpower required under consultancy contracts. These time-limited jobs created by means of procurement of services from private consultants or through contractual arrangements with contractors would directly increase the demand for manpower in private sector and thus creating more job opportunities in private enterprises.
- 6. Major categories of the 15 000 time-limited jobs created in the Government are as follows -
 - (a) technical and non-skilled workers, for example, contract survey officers and technical officers for inspecting drainage pipes in targeted domestic buildings, as well as labourers and gangers for carrying out grass cutting and miscellaneous cleansing duties;
 - (b) cleansing and supporting staff, and workers carrying out antimosquito measures;
 - (c) staff providing administrative, executive and clerical support;
 - (d) staff for carrying out COVID-19-related duties, such as staff involved in quarantine operations;
 - (e) venue helpers, horticultural helpers and staff involved in environmental protection-related duties;
 - (f) professional positions; and
 - (g) information technology staff for strengthening support for various B/Ds and new initiatives in respect of information technology.

Jobs created in the Non-Governmental Sector

7. As for the remaining some 15 000 jobs created in the non-governmental sector, around 3 200 jobs are created in individual public bodies or organisations, such as the Hong Kong Productivity Council, the Urban Renewal Authority, the Hong Kong Trade Development Council and the Hong Kong Housing Authority. Besides, around 12 400 jobs are created in non-government organisations or under the subsidy schemes administered by the relevant umbrella organisations acting as the agents of the B/Ds concerned, covering various fields such as engineering and construction, property management, financial sector, elderly service and rehabilitation organisations, and logistics industry. Examples of the subsidy schemes include -

- (a) Civil Service Bureau ("CSB") launched a subsidy scheme to subsidise property management sector to create jobs with a view to coping with additional workload arising from the epidemic in the property management industry;
- (b) Development Bureau ("DEVB") launched a subsidy scheme to subsidise private companies to employ fresh graduates and assistant professionals of the engineering, architectural, surveying, town planning and landscape architecture streams with a view to providing them with the necessary work experience to attain the relevant professional qualifications;
- (c) Financial Services and the Treasury Bureau ("FSTB") launched FinTech Anti-epidemic Scheme for Talent Development to subsidise local fintech companies, start-ups and other enterprises with fintech-related business to create jobs with a view to enriching the fintech talent pool of Hong Kong; and
- (d) Environment Bureau ("ENB") launched scheme to subsidise private companies and organisations to employ graduates from environmental-related disciplines with a view to nurturing talents in environmental protection work.

Time-limited jobs created for graduates and young people

- 8. After completion of their study, it is an important stage for and the responsibility of young people, as a life growing process, to join the workforce However, amid the raging epidemic and and contribute to the society. persistent high unemployment rate, it is particularly difficult for graduates and young people to seek job opportunities in the prevailing labour market due to lack of work experience. In this connection, around 10 000 jobs under the Job Creation Scheme are created specifically for fresh graduates or especially suitable for young people to apply. For instance, various B/Ds created around 700 administrative and executive support positions in the Government which are suitable for people without work experience. Besides, DEVB, in collaboration with various works departments, created around 90 Graduate Trainee positions with a view to nurturing the professional knowledge of young people in engineering, architectural, surveying, town planning and landscape architecture related disciplines. The Leisure and Cultural Services Department has also created around 60 Trainee positions in arts administration, stage and museum management to provide relevant employment opportunities for young people or graduates who are interested in those fields.
- 9. As regards the non-governmental sector, various B/Ds in collaboration with the non-governmental organisations or relevant

associations under their purview, have launched a number of subsidy schemes to provide jobs suitable for young people. For example, CSB and the Hong Kong Jockey Club Charities Trust launched the "PROcruit C" programme to provide some 400 new jobs for graduates. Apart from providing the graduates with the opportunities to innovate at workplace, pre-onboarding boot camps on workplace skill, on-the-job continuous career coaching, career talks and networking occasions are organised during the placement of the trainees so as to facilitate them to carve out their professional pathway. addition, FSTB, in collaboration with the Financial Services and Development Council, launched a subsidy scheme for the financial services sector to create The scheme is well-received by the graduates and young around 1 500 jobs. All these jobs offer graduates and young people with on-the-job training in the relevant industries with a view to enabling them to gain relevant work experience, which will be conducive to their career development in the long run while some may even facilitate them to acquire related professional qualifications.

Junior positions

10. Grassroots workers are usually the breadwinners of their families. However, quite a number of them are facing underemployment or unemployment problem amid the epidemic. To help resolve the employment problem of grassroots workers, over 40% of the 31 000 jobs created are relatively junior positions, such as labourers and gangers for carrying out grass cutting and miscellaneous cleansing duties, cleansing and supporting staff, and workers carrying out anti-mosquito measures. Depending on the job nature, the academic qualifications requirements of these junior positions are in general primary or secondary school level only.

Actively Taking Forward Job Creation Scheme 2.0 on the Basis of Job Creation Scheme 1.0

11. In view of the persistently high unemployment rate due to the epidemic and the remarkable result of Job Creation Scheme 1.0, the Government further earmarked \$6.6 billion in February this year in the 2021-22 Budget to launch the Job Creation Scheme 2.0 for creating an additional 30 000 jobs. Job Creation Scheme 2.0 will continue to adopt the two-pronged strategy of Job Creation Scheme 1.0. On one hand, additional staff for time-limited positions will be employed through the Government or public organisations. On the other hand, more job opportunities in private market will be created through the procurement of service contracts by the Government or the implementation of subsidy schemes. All these aim at

creating a large number of jobs within a short period of time in the public and private sectors in a flexible and efficient manner so as to timely alleviate the underemployment or unemployment problem during the epidemic.

- 12. Around 20 000 time-limited jobs have been created so far under the Job Creation Scheme 2.0, comprising some 11 000 jobs and some 8 000 jobs in the government and non-governmental sectors respectively. Among them, at least 4 000 jobs have been filled. These include, among others, sector-specific job creation proposals. For instance, the tourism industry has been hard hit by the epidemic. When the industry took the initiative to put up job creation proposal to the Government, the CSB immediately explored the feasibility and mapped out the details of the proposal shortly. As a result, around 1 700 short-term jobs for practitioners in travel trade, which are responsible for the operational management and administrative support at 24 Community Vaccination Centres, are created with a view to helping address the imminent needs of the practitioners.
- 13. Apart from the above, the Job Creation Scheme 2.0 will continue to create considerable number of jobs for grassroots workers and fresh graduates young people who lack work experience. alleviate To underemployment situation of the grassroots, among the 20 000 jobs created, around 2 300 jobs are responsible for implementation of various anti-epidemic measures in leisure and cultural venues, markets, municipal service buildings, and venues under the purview of Hong Kong Housing Authority. include jobs responsible for assisting in taking visitors' body temperature and maintaining their social distancing to ensure their compliance with the anti-As for jobs created for fresh graduates, examples epidemic requirements. include the new job subsidy scheme jointly launched by the Department of Justice and the Hong Kong Law Society to subsidise local law firms to employ 130 law graduates as trainee solicitors. The scheme will nurture new blood for law profession in Hong Kong and ensure a steady and sufficient supply of Moreover, several subsidy schemes introduced specifically for legal talents. young people in Job Creation Scheme 1.0 will be launched again. example, DEVB will roll out a new round of subsidy scheme to subsidise companies in the engineering, architecture, surveying, town planning and landscape architecture industries to employ about 1700 graduates and ENB will also launch a subsidy scheme again to assistant professionals. subsidise enterprises to employ around 300 graduates from environmentalrelated disciplines.

Way Forward

14. Up till now, over 50 000 jobs have been created under the two rounds of the Job Creation Scheme while more than 29 000 jobs have been filled. CSB will continue to co-ordinate the work with relevant B/Ds and strive to create the 60 000 time-limited jobs as soon as possible with a view to alleviating the current unemployment situation on one hand and creating favourable conditions for speedy and extensive recovery of the labour market after the epidemic, thereby regaining the momentum of Hong Kong's economy, on the other hand.

Advice Sought

15. Members are invited to note the content of this paper.

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