

(Translation)

Council meeting of 17 March 2021

**Hon CHAN Hak-kan's motion on
"Supporting the unemployed and underemployed"**

Motion as amended by Dr Hon Priscilla LEUNG and Hon LUK Chung-hung

That, the unemployment rate in Hong Kong had all along remained at a low level of below 4% from 2011 to 2019, but due to the blow of the riots and the Coronavirus Disease 2019 epidemic, coupled with the impacts from the uncertainties in overseas markets, the Hong Kong economy has suffered a continued decline with the unemployment rate hitting a record high time and again, reaching 6.4% which is a new high in 16 years; apart from about 260 000 people being unemployed, there are about 150 000 people being underemployed, and the six-month Employment Support Scheme ('ESS') ended in late November 2020, it is therefore generally expected in society that the waves of closures of enterprises will continue, and the unemployment and underemployment rates will also rise further; to support the unemployed and underemployed who are in financial distress to tide over the difficulties, this Council urges the Government to actively consider implementing the following measures:

- (1) establishing an unemployment assistance to help alleviate the financial pressure of the unemployed;
- (2) establishing a support fund for occupation switching to assist the eligible unemployed in switching to other trades, becoming self-employed or starting their own businesses;
- (3) enhancing the Comprehensive Social Security Assistance Scheme by waiving for the unemployed who are living with family members the requirement that applications must be made on a household basis, so that they may apply on their own, and at the same time further relaxing the asset limits, thereby lowering the application threshold;
- (4) enhancing the existing Working Family Allowance Scheme and establishing an 'underemployment allowance' to provide direct support for low-income working families;

- (5) creating more temporary posts, including providing more internship programmes exclusively for young people and fresh graduates;
- (6) expediting the promotion of different government projects and further increasing the number of related civil service posts (including professional posts), and extending the ‘First-Hire-Then-Train’ Scheme of the Employees Retraining Board to more industries and job types, so as to increase employment opportunities;
- (7) establishing a youth professional development fund to provide employers with salary subsidies for employees, so as to encourage employers to hire young people who are going to acquire professional qualifications by examination;
- (8) after reviewing the two previous tranches of ESS and plugging its loopholes, launching expeditiously the third tranche of ESS so as to subsidize enterprises with genuine difficulties to retain jobs;
- (9) implementing as soon as possible the mutual recognition system for health codes of Guangdong, Hong Kong and Macao to resume economic and personnel interactions among the three places on the premise of fulfilling infection control requirements, thereby boosting the Hong Kong economy to create employment opportunities;
- (10) exploring the development of a half-time ‘job-sharing’ culture to increase job supply in the labour market; and
- (11) strengthening the support for local residents (especially professional service personnel) in employment and entrepreneurship in the Guangdong-Hong Kong-Macao Greater Bay Area, so as to expand the room for development of the unemployed and underemployed;
- (12) introducing immediately a cash allowance for unemployment and suspension of work, subject to a ceiling of \$9,000 for a six-month payment period, and establishing an unemployment assistance scheme in the long run;
- (13) lowering the Working Family Allowance (‘WFA’) Scheme’s monthly working hour requirements, including adjusting the requirement to 72 hours or more for Higher Allowance, 54 to less than 72 hours for Medium Allowance, and 36 to less than 54 hours for Basic Allowance, so that more underemployed households will be eligible for WFA;

- (14) lowering the application threshold for the unemployment support scheme under the Comprehensive Social Security Assistance, including extending the grace period for owner-occupied residential properties in the asset test and exempting the cash value of insurance policies;
- (15) adopting a welfare-to-work approach to create more employment opportunities for hiring the unemployed, including having the Government take the lead to increase the number of short-term posts, and providing more internship programmes exclusively for low-skilled workers; and encouraging public and private organizations to recruit additional staff;
- (16) reviewing the provisions on continuous contract under the Employment Ordinance to strengthen protection for the rights and benefits of part-time employees and casual workers;
- (17) substantially increasing the number of various types of vocational training courses and the number of places and amount of subsidies, such as raising the maximum amount of allowance under the existing Love Upgrading Special Scheme to HK\$9,000; and actively conducting job matching to help the underemployed and unemployed to upgrade their skills, so that they can switch to other trades when necessary; and
- (18) on the premise of perfecting various schemes for supporting low-income families, creating more jobs in their communities with flexible working hours, whereby women and carers can work to help their families make ends meet, and at the same time exploring the impact of the development of a half-time 'job-sharing' culture on the employment market and the livelihood of employees, so that more targeted support measures for the unemployed and underemployed can be formulated in the future.