

LCQ13: Labour force participation rate of older persons

Following is a question by Dr the Hon Tan Yueheng and a written reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (October 23):

Question:

According to government information, the labour force participation rate of older persons in Hong Kong remains relatively low compared to other developed economies. There are views that as Hong Kong is facing a structural decline in its labour force, there is an urgent need to further unleash the potential labour force of older persons. In this connection, will the Government inform this Council:

(1) as there are views that older persons have rich experience and distinctive advantages in the employment market, and that encouraging the active participation in employment of people aged between 60 and 65 will help alleviate the crisis of a dwindling workforce in Hong Kong and provide them with more lifestyle choices, whether the Government has any new measures to encourage employers to be flexible in dealing with employees' retirement age and to give more consideration to employing older persons; and

(2) whether it has any medium and long-term plans to systematically increase the labour force participation rate of older persons; if so, of the details?

Reply:

President,

The Government endeavours to encourage and support employers to employ older persons. In response to Dr the Hon Tan Yueheng's question, the reply is as follows:

(1) and (2) The Government implements a range of measures to promote the employment of older persons which include:

(i) The Employees Retraining Board (ERB) provides around 700 market-oriented training courses straddling across 28 industries and generic skills for eligible persons including older persons. The ERB also provides training courses which gear towards the employment needs of older persons aged 50 or above to encourage the potential workforce to enter the labour market. For example, the ERB organises the Post-50 Internship Programme for older persons aged 50 or above to facilitate their understanding of the current employment market situation. Through its Service Centre and Service Spots at district level, the ERB provides latest training and employment-related information and other support services to service

targets including older persons. Besides, under the "Hire and Train" Scheme, the ERB encourages the participating employers to provide suitable job vacancies for trainees (including persons who have recently retired), adjust the working hours and leave arrangements to cater for trainees' family and personal situation, and provide on-the-job training and other related support measures so as to encourage the potential workforce to enter the labour market.

(ii) The Labour Department (LD) provides diversified employment services for job seekers including older and middle-aged persons, and launched the three-year Re-employment Allowance Pilot Scheme (REA Scheme) on July 15 this year to encourage persons aged 40 or above who have not been at paid employment for three consecutive months or more to join the employment market. During the implementation period of the REA Scheme, each eligible participant who has worked for 12 consecutive months will receive a maximum re-employment allowance of \$20,000. Besides, the LD implements the Employment Programme for the Elderly and Middle-aged (EPEM), offering on-the-job training (OJT) allowance to employers to encourage them to hire older and middle-aged persons. Employers engaging each eligible job seeker aged 60 or above under EPEM will receive a maximum OJT allowance of \$5,000 per month for six to 12 months. To further encourage employers to take on participants of the REA Scheme, the LD has uniformly extended the duration of OJT period under EPEM to 12 months for eligible employers engaging REA Scheme participants aged 60 or above. The REA Scheme is very well received, and had recorded over 20 000 participants and more than 2 200 placements as at September 30. Of which, more than 4 700 participants were aged 60 or above with 520 placements recorded.

(iii) The Government has all along been encouraging employers, having regard to their individual circumstances, to adopt elderly-friendly employment practices, such as extending the working age of employees, providing flexible work arrangements and fostering an environment conducive to elderly employment, to facilitate more older persons to stay in or rejoin the labour market. The LD will continue to organise publicity activities, including the Good Employer Charter 2024, to strengthen the promotion of related measures to employers.

The Government will continue to support employment of older persons and encourage employers to engage older employees through training, employment services and promotion.