

LCQ15: Earn and Learn Pilot Scheme for Retail Industry

Following is a question by the Hon Luk Chung-hung and a written reply by the Acting Secretary for Commerce and Economic Development, Dr Bernard Chan, in the Legislative Council today (November 6):

Question:

With an aim to attract talents to join the retail industry, the Government, the Vocational Training Council and the Hong Kong Retail Management Association jointly launched in 2014 the Earn and Learn Pilot Scheme for the Retail Industry (the Earn and Learn Scheme) to provide student-workers with an opportunity to "earn and learn" as well as a well-defined progression pathway. According to the arrangement under the Earn and Learn Scheme, if the student-workers of the Foundation Diploma (FD) programme, upon graduation, become full-time employees of the same employers as those during the training period, they will be entitled to a monthly income of not less than \$11,000. It has been learnt that the first four runs of the FD programme were completed between 2016 and this year. In this connection, will the Government inform this Council whether it knows:

- (1) in respect of the fourth run of the FD programme, (i) the number of enrollees, (ii) the number of dropouts with a breakdown by reason therefore, (iii) the number of graduates, (iv) the dates of graduation, and (v) the number of graduates who are currently still employed by the same employers as those during the training periods;
- (2) the respective total numbers of positions offered by the employers participating in the Earn and Learn Scheme to the graduates of the first to the fourth runs of the FD programme; among such positions, the respective numbers of those with a monthly basic salary of \$11,000 or more and less than \$11,000, and among the latter, the respective numbers of positions with a monthly basic salary (i) of less than \$5,000, (ii) between \$5,000 and \$7,000, (iii) between \$7,001 and \$9,000, and (iv) over \$9,000;
- (3) among the graduates of the first to the fourth runs of the FD programme, (i) the number of those who still work in the retail industry (with a breakdown by the positions and the monthly income range to which they belong), and (ii) the number of those who have left the retail industry (with a breakdown by reason for leaving); and
- (4) the respective numbers of enrollees for the fifth and subsequent runs of the FD programme?

Reply:

President,

The Earn and Learn Pilot Scheme for the Retail Industry (the Pilot Scheme) was launched in 2014 by the Vocational Training Council (VTC) in partnership with the Hong Kong Retail Management Association (HKRMA). The Pilot Scheme provides opportunities for Secondary Six graduates to attend classes on campus while acquiring retail work experience and receiving a Government allowance of \$2,000 per month, with a view to encouraging aspiring youngsters to join the retail workforce. Under the Pilot Scheme, a total of 303 student-workers from the first to third cohorts had completed the Foundation Diploma (FD) / Diploma of Foundation Studies (DFS) (Note 1) programme. In addition, 19 student-workers from the fourth DFS cohort completed the programme in February 2019. The DFS programme for the fifth and sixth cohorts is still in progress.

My reply to the various parts of the question is as follows:

(1) The DFS programme for the fourth cohort commenced in September 2017, with an intake of 30 student-workers. Among them, 19 completed the programme in end February 2019 and the remaining 11 had dropped out. According to the responses given by the drop-outs when enquired by VTC, they left the programme for various reasons, including early engagement in full-time jobs in the retail or other sectors, switch to full-time studies, lack of capacity for coping with work and study concurrently, and miscellaneous personal reasons.

VTC would conduct tracking surveys of student-workers after their graduation. For DFS graduates of the fourth cohort who just completed the programme in end February this year, since the first tracking survey only commenced in September this year and VTC is still collecting responses from the graduates, the relevant information is not yet available for the time being.

(2) As set out in the proposal put forward by the Government when seeking funding approval for the Pilot Scheme from the Legislative Council, employers should offer a salary of no less than \$11,000 per month, which may include basic salary, commission and allowances, to the graduates of the FD programme if they become full-time employees of the companies that have provided them with the internship placements.

VTC would conduct the first tracking survey of student-workers of each cohort in about six months after their graduation. For the first tracking surveys of the 303 FD/DFS graduates of the first to third cohorts, VTC received responses from 150 graduates. 43 per cent of the respondents were working in the retail sector and among them, 22 per cent and 37 per cent were employed as full-time and part-time staff respectively by the companies that had provided them with internship placements. The graduates employed as full-time staff in these companies were receiving a salary of no less than \$11,000 per month, including basic salary, commission and allowances. For the position regarding the fourth cohort of DFS graduates, please refer to the reply in Part (1) above.

(3) For the tracking surveys conducted by VTC in September 2018 of the 303 FD/DFS graduates of the first to third cohorts, VTC received responses from 83 graduates. By the time of the said surveys, they had graduated for a period ranging from six months to two and a half years. Among the respondents, those working in the retail sector (including both full-time and part-time employees) and in other sectors each took up 31 per cent, while 29 per cent were undertaking further studies. The remaining eight per cent of graduates were still considering their concrete paths ahead. For the position regarding the fourth cohort of DFS graduates, please refer to the reply in Part (1) above.

(4) The DFS programme for the fifth and sixth cohorts commenced in September 2018 and September 2019, with an intake of 24 and nine student-workers respectively. The number of student-workers admitted is lower than that of the first three cohorts. We believe that the continuous drop in the overall number of Secondary Six graduates (the number of candidates sitting for the Hong Kong Diploma of Secondary Education Examination has dropped by 29 per cent in 2019 when compared with 2014) and availability of other opportunities for further studies and employment partly account for the drop in admissions. We will continue to work with VTC and HKRMA to strengthen the publicity on the Pilot Scheme and enhance the programme content and its attractiveness, so as to provide graduates with a clear articulation ladder for further studies and career advancement, with a view to enhancing the retail industry's professional service standards.

Note 1: Foundation Diploma was renamed as Diploma of Foundation Studies in 2016.