

立法會
Legislative Council

LC Paper No. CB(2)789/02-03
(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

Panel on Welfare Services

Minutes of meeting
held on Monday, 9 December 2002 at 10:45 am
in Conference Room A of the Legislative Council Building

Members Present : Dr Hon LAW Chi-kwong, JP (Chairman)
Hon CHAN Yuen-han, JP (Deputy Chairman)
Dr Hon David CHU Yu-lin, JP
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon Bernard CHAN, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LEUNG Yiu-chung
Dr Hon YEUNG Sum
Hon CHOY So-yuk
Hon LI Fung-ying, JP
Hon Michael MAK Kwok-fung
Hon WONG Sing-chi
Hon Frederick FUNG Kin-kee

Members Absent : Hon Cyd HO Sau-lan
Hon Henry WU King-cheong, BBS, JP
Hon Tommy CHEUNG Yu-yan, JP

Public Officers Attending : Item IV
Mr Patrick NIP
Deputy Secretary for Health, Welfare and Food (Elderly Services)

Ms LOW Looi-looi
Senior Research Scientist (Social Science)
Health, Welfare and Food Bureau

Items IV and VI

Mrs Brenda FUNG
Principal Assistant Secretary for Health, Welfare and Food (Elderly
Services) 2

Items V and VI

Mrs Carrie LAM, JP
Director of Social Welfare

Item V

Mr CHEUNG Hing-wah
Assistant Director of Social Welfare (Youth & Corrections)

Mr Eric HUI
Acting Principal Assistant Secretary for Home Affairs (5)

Dr Joe LEUNG
Head, Department of Social Work and Social Administration
The University of Hong Kong

Item VI

Miss YEUNG Kok-wah
Chief Social Security Officer (Social Security) 4
Social Welfare Department

Clerk in Attendance : Ms Doris CHAN
Chief Assistant Secretary (2) 4

Staff in Attendance : Miss Mary SO
Senior Assistant Secretary (2) 8

I. Confirmation of minutes
(LC Paper No. CB(2)568/02-03)

The minutes of meeting held on 11 November 2002 were confirmed.

II. Information paper issued since the last meeting
(LC Paper No. CB(2)538/02-03(01))

2. Members noted the above letter from a group of citizens dated 11 November 2002 on the adjustment of Comprehensive Social Security Assistance (CSSA) rates, and did not raise any query.

III. Items for discussion at the next meeting
(LC Paper Nos. CB(2)569/02-03(01) and (02))

3. Members agreed to discuss the following issues at the next meeting scheduled for 13 January 2003 -

- (a) Community Investment and Inclusion Fund; and
- (b) Progress of re-engineering community support services for elders.

Miss CHAN Yuen-han proposed that the Administration should be invited to brief members on its stance on the adjustment of CSSA rates in January 2003. Members agreed.

IV. Financial assistance for older persons
(LC Paper No. CB(2)294/02-03(15))

4. At the invitation of the Chairman, Deputy Secretary for Health, Welfare and Food (DSHWF) took members through the Administration's paper which set out the present position regarding the review on the existing social security schemes for older persons.

5. Mr LEE Cheuk-yan said that it was against the principle of old age retirement protection to allow employers to offset the long service payment or severance payment by the accrued benefits derived from the contribution which they had made to the employees in the Mandatory Provident Fund (MPF) Scheme.

6. DSHWF responded that he was not in a position to comment on specific

suggestion about the MPF scheme. Despite such, DSHWF believed that the MPF Scheme, which was an earnings-related contributory scheme in the form of defined-contribution, could effectively serve as one of two mandatory pillars recommended by the World Bank for old age financial protection.

7. Mr WONG Sing-chi referred to paragraph 6 of the Administration's paper which mentioned that the Administration had no plan to abolish or reduce Old Age Allowance (OAA). Mr WONG asked whether this should be taken to mean that elders who currently received OAA would continue to receive such in future with no change in the amount of money received, and that needy elders might receive a higher level of OAA.

8. DSHWF responded that no change would be made to the OAA Scheme for the time being, as the Administration was still reviewing the existing social security schemes for the elderly with a view to developing a sustainable financial support system which could better target resources at those older persons most in need. Members of the Legislative Council would be consulted if and when there were proposals to introduce major changes to the financial support system for the elderly. DSHWF further said that while the CSSA/Social Security Allowance rates would remain frozen until end March 2003 pending a review of the rates, the Administration had no intention to adjust OAA rates downwards, despite the fact that there had been an over-adjustment of OAA rates due to the combined effect of the upward adjustment up to 1998-99 based on forecast price increases and the continued deflation since then.

9. Miss CHAN Yuen-han said that the Administration's plan to reduce CSSA rates across the board would undermine the first pillar of the World Bank's three-pillar model adopted in Hong Kong for old age financial protection. To ensure financial support for elders in the long run, Miss CHAN was of the view that the Administration should re-consider the feasibility of implementing an Old-age Pension Scheme (OPS). Miss CHAN hoped that the Administration would refrain from using the reasons set out in paragraph 19 of its paper as the pretext for not considering the implementation of an OPS, as the present circumstances were different from that in the mid-1990s when the debate on OPS was first held.

10. DSHWF responded that there was no question of the Administration undermining the first pillar. He explained that there was room for downward adjustments of CSSA rates as measured by the Social Security Assistance Index of Prices and that the originally intended purchasing power would not be adversely affected. As resources were finite and having regard to the growing ageing population, there was a need to improve the first pillar to provide targeted and enhanced protection to the older persons in need.

11. Dr YEUNG Sum said that he would strongly oppose if the Administration should, in the name of targetting resources to elders most in need, require all elders aged 70 or above to undergo a means test to determine their eligibility for OAA. Dr YEUNG further said that the Democratic Party was of the view that the Administration should re-consider the feasibility of implementing an OPS to ensure financial support for older persons, instead of attempting to address the matter by reducing CSSA rates and introducing means test to the OAA Scheme. Another reason for introducing an OPS was that the recently implemented MPF Scheme would not benefit the current cohort of older persons. For those of low income, the benefits of MPF were limited in the longer term. This situation would be aggravated if the economy was undergoing a downturn. Mr LEUNG Yiu-chung expressed similar views, and further said that it would be against the pledge made by the Chief Executive to improve the quality of life of elders if reduction was made to CSSA and OAA rates.

12. Mr Frederick FUNG also urged the Administration to re-consider the feasibility of implementing an OPS, as it was questionable whether the World Bank's three-pillar model adopted in Hong Kong was able to provide adequate protection for elders. Notably, it was questionable whether the first pillar of a compulsory plan for poverty alleviation and prevention, i.e. the CSSA Scheme and the Social Security Allowance Scheme, could be sustained in the long run given the fiscal constraints and the growing ageing population. Secondly, not all elders could benefit from the second pillar of privately managed compulsory pension plan for income maintenance, i.e. the MPF Scheme. Lastly, the third pillar of a voluntarily savings-annuity plan to supplement the first two pillars to provide supplementary sources of retirement income could not benefit people from lower-income groups.

13. DSHWF responded that the Government had not reneged on its pledge to improve the quality of life of elders. For instance, spending on direct services for the elderly had increased from \$1.7 billion to \$3.5 billion over the past five years, spending on social security for elders had increased by over 50%, the number of elders waiting for public rental housing had reduced from 16 000 to 7 000, 36 Support Teams for Elderly had been set up to reach out to singleton elders residing at home, and home care and meal services had been strengthened to allow frail elders to continue to live at home. DSHWF further said that the World Bank's three-pillar model only served as a framework for providing financial protection to elders in Hong Kong. The Administration held an open mind on viable options as to how a sustainable financial support system for needy elders should be developed. DSHWF, however, pointed out that many overseas experiences had revealed that an OPS was difficult to sustain in the long run. This was because due to ageing population, lower fertility rates and increasing life expectancy, a smaller number of future workers would have to support a higher number of

retirees who also lived longer. Nevertheless, the Administration would carefully consider members' views before deciding on the way forward.

14. In summing up, the Chairman requested the Administration to revert to members once it had come up with concrete proposals on financial support for older persons.

V. Final Report of Consultancy Study on the Review of Integrated Neighbourhood Projects in Targeted Old Urban Areas
(LC Paper No. CB(2)569/02-03(03))

15. Director of Social Welfare (DSW) and Dr Joe LEUNG of the University of Hong Kong jointly gave a power point presentation on the findings and recommendations of the Final Report of Consultancy Study on the Review of Integrated Neighbourhood Projects (INPs) in Targeted Old Urban Areas (the Final Report) and agreement reached with the non-governmental organisations (NGOs) concerned to follow up the recommendations made thereof, where were detailed in the Administration's paper.

16. Dr YEUNG Sum declared that he was an employee of the University of Hong Kong (HKU). Dr YEUNG had no strong view about phasing out the INPs, having regard to the findings of the Final Report set out in paragraph 6 of the Administration's paper. Noting that only a portion of the existing staffing resources in INP would be re-deployed to form eight Family Support Networking Teams (FSNTs) attached to the mainstream services of the NGOs concerned from January 2003, Dr YEUNG asked what would happen to those INP staff who would not be re-deployed to work on the eight FSNTs. Mr LEE Cheuk-yan raised a similar question and queried whether the reason for phasing out of INPs was to save money.

17. Ms LI Fung-ying referred to paragraph 14 of the Administration's paper which mentioned that the NGOs concerned differed in their reactions towards the phasing out of INPs but had come round to accept the need for the re-engineering of INPs. Ms LI asked what the different reactions were and what had caused some NGOs concerned to accept the phasing out of INPs in the end.

18. Mr LEE Cheuk-yan, Mr Frederick FUNG, Miss CHAN Yuen-han, Mr LEUNG Yiu-chung and Mr Fred LI expressed concern about phasing out of INPs, as it was questionable whether the existing mainstream services, including those provided by FSNTs, could meet the needs of the vulnerable groups in the INP target areas given that INP services were intensive, proactive and individually tailored to low-income families, elderly and new arrivals. Mr LEE and Mr

FUNG were further of the view that the phasing out of INPs was a testament of the Administration's deliberate attempt not to empower vulnerable individuals to organise themselves to fight for their rights, as evidenced by the phasing out of the Neighbourhood Level Community Development Projects in 1995 and now the INPs. Mr FUNG then asked whether the views of service users had been sought on the phasing out of INPs. Mr LEUNG also questioned the usefulness of the discussion on phasing out of INPs, as the Administration had already made its decision.

19. Dr Joe LEUNG responded that support and assistance for the vulnerable populations in INP target areas should not be undermined as a result of the phasing out of INPs. As there was no lack of welfare services adopting a similar outreaching approach and working with similar vulnerable groups in the areas as INPs, it would be more cost-effective and efficient to integrate INP functions into other mainstream services. Dr LEUNG pointed out that unlike mainstream services, INPs seemed to be varied in their degree of collaboration with other programmes and district organisations. Furthermore, reflecting from focus group discussions, a sense of "dependency" among users being continuously assisted by INPs could be found. While the sense of dependency on professional workers was a common feature of the vulnerable groups, it was considered that all social welfare projects should take maximising user independence instead of encouraging dependency as their overriding concern. Dr LEUNG also pointed out that by being very responsive to all the requests put forward by the users, INPs seemed to have no "boundary" of services. Findings of the consultancy study showed that some 35% and 40% of the targets identified and participants in groups and programmes respectively were non-INP targets. This user-centred service mode of INPs characterised by flexibility, special attention and accessibility might be a reason for accounting for the difficulties in re-directing the users to mainstream services, which in fact should be one of the major service objectives of INPs.

20. Dr LEUNG disagreed that the phasing out of INPs meant withdrawing assistance to vulnerable individuals to organise themselves to fight for their rights, as the objective of INPs was to identify target vulnerable groups and make referrals for them. Dr LEUNG further said that integrating INP functions into mainstream services would in fact help vulnerable groups in the INP target areas to organise and empower themselves. This was because many mainstream services, such as those provided by Integrated Family Services Centres, also included helping the vulnerable groups to set up mutual-help groups to help each other and empower themselves.

21. DSW also gave a response, which was summarised as follows -

- (a) The \$9.6 million savings arising from the phasing out of INPs would

be pooled to meet other priority service needs or to contribute to the efficiency savings to be delivered by the whole welfare sector under the requisite 1.8% target for 2003-04;

- (b) The Administration's policy of according priority to assist the vulnerable remained unchanged, despite the phasing out of INPs. If that was not the case, the Administration would not allocate \$6.8 million from the money saved from the phasing out of INPs to set up eight FSNTs;
- (c) The NGOs concerned would endeavour to absorb those staff made redundant by the phasing out of INPs. Given that the NGOs concerned were large agencies, there should not be great difficulty for them in re-deploying staff made redundant by the phasing out of INPs to other services provided by them. It should however be pointed out that neither the Social Welfare Department (SWD) as the funding body nor the NGOs concerned had the obligation to keep INP staff in their employ once the contract period of INP had expired, since these INPs were set up on a time-limited basis and those staff were employed on contract term;
- (d) There was no question of the Administration attempting to withdraw providing assistance to vulnerable groups to organise themselves to fight for their rights by phasing out INPs. On the contrary, numerous measures and efforts had been made to empower vulnerable groups and promote mutual help. For instance, service users were now invited to take part in the selection of operators in the allocation of new service units by SWD and service users were involved in service monitoring. SWD had also extended financial support to many self-help groups in championing the rights of people with disabilities. FSNTs also had the function of empowering vulnerable groups to help themselves. In fact, some of eight FSNTs to be set up would be attached to community centres known for their help provided to the vulnerable to fight for their rights;
- (e) Care and support for the vulnerable would not be undermined by the phasing out of INPs, as FSNTs were set up to provide services to the vulnerable families in need of assistance. According to the service statistics of 14 FSNTs from January to September 2002, 38 511 vulnerable individuals had been contacted by FSNTs through concern visit or other outreaching attempts and 14 949 of them had been successfully referred to welfare/mainstream services;

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- (f) Although agreement had been reached between SWD and the NGOs concerned on the transformation of INPs into FSNTs, the Administration was keen to know members' views before deciding on the way forward; and
- (g) No NGOs concerned had been pressurised into accepting the new arrangements.

Admin

22. At the request of Dr YEUNG Sum, DSW undertook to provide information on the arrangements for staff being affected by the phasing out of INPs.

VI. An update of the Support for Self-reliance Scheme
(LC Paper Nos. CB(2)569/02-03(04) and (05))

23. DSW gave a power point presentation on the progress and effectiveness of the employment assistance measures taken by SWD under the Support for Self-reliance (SFS) Scheme to help able-bodied CSSA recipients to achieve self-reliance, the details of which were set out in the Administration's paper (LC Paper No. CB(2)569/02-03(04)).

24. Mr LEE Cheuk-yan said that it was unfair to say that the Active Employment Assistance (AEA) programme under the SFS Scheme was more effective than the Special Job Attachment Programme (SJAP) and projects funded by the Intensive Employment Assistance Fund (IEAF) in helping able-bodied CSSA recipients to find jobs. This was because participants of SJAP and IEAF projects were usually people who had been unemployed for six months or more, whereas AEA participants generally did not have such a long period of unemployment. Given that the earlier assistance was provided to able-bodied CSSA recipients, the more effective it would be in helping them to gain employment, Mr LEE said that it would be useful if information could be provided on how long participants in SJAP and IEAF projects had been unemployed before they joined the programme/projects and how long it took before they could find a job after completing the programme/projects.

25. Miss CHAN Yuen-han requested the Administration to provide members with the power point presentation materials on the SFS Scheme after the meeting. DSW agreed. Miss CHAN further said that SWD should strengthen its interface with the Labour Department (LD) to help able-bodied CSSA recipients to find jobs.

26. Dr YEUNG Sum said that it was encouraging to see that improvement to the disregarded earning arrangements had been conducive in motivating

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employable recipients to move towards self-reliance. Dr YEUNG asked whether consideration could be given to arranging able-bodied CSSA recipients who had been unemployed for three years or more to perform odd jobs in SWD or NGOs without pay, so as to build up their self-confidence and enhance their employability.

27. Mr LEUNG Yiu-chung said that one of the problems why some people were still on public assistance despite gaining employment was because their monthly income was too low. In the light of this, Mr LEUNG hoped that more work could be done to help this group of people to leave the social security system. For instance, instead of splitting a job between three people, it might be more preferable to give the job to one person so that at least the person concerned could leave the safety net.

Admin

28. DSW responded that she would provide the information requested by Mr LEE Cheuk-yan mentioned in paragraph 24 above. In fact, SWD had shared information similar to that requested by Mr LEE with NGOs. She would be happy to provide other information relating to the subject matter if members so requested.

29. On the comments made about the comparison between AEA programme, SJAP and IEAF projects in helping able-bodied CSSA recipients to find jobs, DSW clarified that it was not SWD's intention to say that AEA programme was more effective than the NGO programmes as she had already said in the presentation that participants in SJAP and IEAF projects were the so-called "hardcore cases".

30. On the proposal of arranging able-bodied CSSA recipients who had been unemployed for three years or more to perform odd jobs in SWD or NGOs, DSW said that this had been done to a certain extent under the community work (CW) programme but the difficulty was inadequate CW opportunities. To step up such efforts, SWD was recently in discussion with the Food and Environmental Hygiene Department on the possibility of finding some odd jobs for the recipients to do. DSW, however, pointed out that in doing so, regard would be given to ensuring that this would still leave the recipients with adequate time to find full-time employment and that no permanent posts would be replaced as a result. DSW added that SWD was currently collaborating with a team of academics from HKU to better understand the situation of CSSA job-seekers by analysing the Department's administrative data.

31. DSW said that she shared Mr LEUNG's view in paragraph 27 above, and would discuss with the NGOs concerned on ways to address the matter.

32. As to strengthening interfacing with LD to help able-bodied CSSA recipients to find jobs, DSW said that discussion was being held with LD on referral of jobs which better suited CSSA recipients.

VII. Any other business

33. There being no other business, the meeting ended at 1:13 pm.

Council Business Division 2
Legislative Council Secretariat
2 January 2003