

LC Paper No. CB(2)2014/02-03

(These minutes have been seen by the Administration)

Ref : CB2/PL/WS

#### **Panel on Welfare Services**

#### Minutes of meeting held on Monday, 14 April 2003 at 10:45 am in the Chamber of the Legislative Council Building

Members Present	: Dr Hon LAW Chi-kwong, JP (Chairman) Hon Cyd HO Sau-lan 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 CHOY So-yuk Hon LI Fung-ying, JP Hon Henry WU King-cheong, BBS, JP Hon Tommy CHEUNG Yu-yan, JP Hon Michael MAK Kwok-fung Hon WONG Sing-chi
Members Absent	: Hon CHAN Yuen-han, JP (Deputy Chairman) Dr Hon David CHU Yu-lin, JP Hon Frederick FUNG Kin-kee
Public Officers Attending	: Item III Mr Robin GILL, JP Deputy Secretary for Health, Welfare and Food (Welfare)

Mr FUNG Pak-yan Assistant Director of Social Welfare (Family and Child Welfare)

Mr Kenneth CHAN Assistant Secretary for Health, Welfare and Food (Welfare) 1

Miss LEE Sau-kong Senior Government Counsel, International Law Division Department of Justice

Mr Simon PEH Assistant Director (Visa and Policies), Immigration Department

<u>Item IV</u>

Mrs Carrie LAM, JP Director of Social Welfare

Mr Patrick NIP Deputy Secretary for Health, Welfare and Food (Elderly Services)

Mrs Rachel CARTLAND Assistant Director of Social Welfare (Social Security)

Item V

Mrs Carrie LAM, JP Director of Social Welfare

Mr Patrick NIP Deputy Secretary for Health, Welfare and Food (Elderly Services)

Mrs Rachel CARTLAND Assistant Director of Social Welfare (Social Security)

Item VI

Mrs Carrie LAM, JP Director of Social Welfare Mr Patrick NIP Deputy Secretary for Health, Welfare and Food (Elderly Services)

Mrs Kathy NG Assistant Director of Social Welfare (Elderly)

**Deputations by :** <u>Item VI</u> **Invitation** 

Association for the Rights of the Elderly

Dr LI Ping-wai Chairperson

Ms Rita Y K LAM Secretary

Fight for Social Welfare Alliance

Mr CHENG Ching-fat Representative

Mr TSE Sai-kit Representative

- Clerk in<br/>Attendance: Ms Doris CHAN<br/>Chief Assistant Secretary (2) 4
- Staff in<br/>Attendance: Miss Lolita SHEK<br/>Senior Assistant Secretary (2) 7

#### I. Confirmation of minutes

(LC Paper No. CB(2)1738/02-03)

The minutes of the meeting held on 10 March 2003 were confirmed.

### II. Items for discussion at the next meeting

(LC Paper Nos. CB(2)1739/02-03(01) and (02))

2. <u>Members</u> agreed to discuss the following items at the next regular meeting scheduled for Monday, 12 May 2003 -

- (a) Subsidy arrangements for residential care services for frail elders; and
- (b) Proposed residential training complex for juveniles in Tuen Mun.

### III. Adoption (Amendment) Bill 2003

(LC Paper No. CB(2)1739/02-03(03))

3. At the invitation of the Chairman, <u>Deputy Secretary for Health, Welfare</u> and Food (Welfare) (DSHWF) briefed members on the Administration's paper which set out the proposals to be included in the Adoption (Amendment) Bill 2003 to improve local adoption arrangements and to give effect to the Hague Convention on Protection of Children and Cooperation in respect of Intercountry Adoption in Hong Kong.

#### Private arrangements for adoption

4. <u>Ms LI Fung-ying</u> noted from paragraph 10 of the Administration's paper the proposal to amend the Adoption Ordinance (AO) (Cap. 290) to prohibit a person or an organisation, other than the Social Welfare Department (SWD) or adoption agencies authorised by SWD, to make arrangements for the adoption of a child, with the exception of adoption of a child by his/her relative, or save in pursuance of an order of the Court. She sought clarification on the definition of "relative".

5. In response, <u>Assistant Director of Social Welfare</u> (ADSW) clarified that "relative" in relation to an infant was defined in the AO and meant a grandparent, brother, sister, uncle or aunt, whether of full blood, of the halfblood or by affinity. <u>Ms LI Fung-ying</u> commented that the definition of "relative" was too broad. She suggested that for clarification purpose, "relative" should be defined as a person who had a tie of blood with the infant.

#### Step-parent adoption

6. Noting that the Administration had proposed in paragraph 17 of its paper to amend AO so that a step-parent could apply as a sole applicant if his/her spouse was the birth parent of the child born within wedlock, <u>Ms LI Fung-yung</u> criticized

such an amendment as meaningless. She considered that since the step-parent was married to the child's birth parent who was tied to the child by blood, it was not necessary for the former to adopt the child.

7. <u>DSHWF</u> replied that being a new parent to the child, the step-parent should be carefully assessed to ensure that he/she was suitable for adopting the child so as to protect the best interest of the latter. <u>DSHWF</u> supplemented that in most other jurisdictions, similar assessments were made on the step-parents before they were allowed to adopt their step-children. <u>Ms LI Fung-ying</u> maintained the view that it was not necessary for the step-parent to adopt the child. <u>The Chairman</u> said that he did not agree with Ms LI on this point.

#### **Discriminatory provision**

8. <u>Ms CHOY So-yuk</u> noted from paragraph 21 of the Administration's paper that there was a discriminatory provision under section 5(3) of AO prohibiting a male sole applicant from adopting a female infant which would be removed under the proposed amendment exercise. She asked whether adoption by homosexual persons or partners as joint applicants was allowed under AO.

9. In reply, <u>ADSW</u> clarified that AO did not prohibit a person from adopting a child because of his/her sexual orientation. He explained that the Court would take into consideration all the relevant factors before making an adoption order. <u>DSHWF</u> added that applications for adoption from homosexuals would be processed in accordance with normal procedures. It would be up to the Court to decide whether the adoption would be in the best interests of the child.

10. <u>Senior Government Counsel</u> (SGC) supplemented that homosexual couples were not recognized as spouses under the existing law in Hong Kong. Spouses would mean husbands and wives. Therefore homosexual couples could not apply for adoption under AO as spouses. However, homosexual individuals could apply as sole applicants and their individual applications would be considered by the Court.

#### Consent for adoption

11. Referring to section 7(3)(a) of AO which stipulated that the consent of a birth mother to relinquish the child for adoption was not admissible, unless the child was at least six weeks old, <u>Mr Henry WU</u> asked whether the consent of the birth father was also required for adoption. <u>SGC</u> responded that under section 5(5)(a) of AO, the consent of every person who was a parent or guardian of the infant, or who was liable by virtue of any order or agreement to contribute to the maintenance of the infant was required for adoption. In the case of an

illegitimate child, consent would be sought from the birth father if he is entitled to exercise any right or authority in relation to the child by virtue of an order of the court under the Guardianship of Minors Ordinance (Cap. 13). She further explained that the amendment proposed in paragraph 28 of the Administration's paper sought to also apply the proposed reduced minimum statutory consent period (i.e., four weeks) to all those person(s) whose consent was required for adoption under section 5(5)(a) of AO.

#### Records of adoption orders

12. Noting from paragraph 52 of the Administration's paper that intercountry adoption orders were to be recorded in the local Registers of Births and Adopted Children Register in both SWD and the Immigration Department (ImmD), <u>Mr Henry WU</u> sought information on the differences between and the duration of the records kept in these two departments. <u>DSHWF</u> explained that the case files of adoption were kept in SWD while the formal registration of adoption orders were kept in ImmD. He clarified that these records would not be destroyed.

13. In response to a further question from Mr Henry WU on the protection of the personal data of birth parents, <u>DSHWF</u> informed members that upon the request of an adopted person, the identifying information on his/her birth parents would be disclosed only with the consent of both birth parents. In case the birth parents had different views on the disclosure of information, only the identifying information on the parent who had not exercised the veto would be disclosed to the adopted person in future under the Root-tracing System detailed in Annex C to the Administration's paper. However, <u>DSHWF</u> pointed out that in most of these cases, only one parent, usually the mother, was registered as the birth parent.

#### Intra-country adoptions

14. <u>Ms Cyd HO</u> asked whether the Amendment Bill would address the issues arising from intra-country adoptions. <u>DSHWF</u> said that he was not aware of any practical problems arising from intra-country adoptions. He advised that under section 17 of AO, a mechanism did exist to recognize adoptions outside Hong Kong.

#### Legislative timetable

15. In response to a question from Ms Cyd HO on the legislative timetable for the Adoption (Amendment) Bill, <u>DSHWF</u> informed members that the Administration intended to introduce the Amendment Bill into the Legislative Council (LegCo) in two months' time. <u>Ms Cyd HO</u> expressed concern that given the complexity of the Bill, the scrutiny of the Bill might not be completed before

the end of the current term and the enactment of the Bill might then be delayed. She asked whether the Bill could be split into several less complicated Bills in order to speed up the scrutiny process.

16. <u>DSHWF</u> assured members that the Administration had already simplified the Bill as far as possible. He explained that since the Bill had to address two areas, i.e., to improve local adoption arrangements and to give effect to the Hague Convention on Protection of Children and Cooperation in respect of Intercountry Adoption in Hong Kong, it was inevitable that the Bill would be complicated and voluminous.

## IV. Special grants under the CSSA Scheme (LC Paper No. CB(2)1739/02-03(04))

17. At the invitation of the Chairman, <u>Director of Social Welfare</u> (DSW) introduced the Administration's paper which provided information on the administration of special grants under the Comprehensive Social Security Assistance (CSSA) Scheme and the mechanisms for adjusting these grants. She informed members that the rates of meal allowance for full-day students taking lunch away from home and those of special diet allowance would be adjusted downwards by 11.1% from 1 June 2003 in accordance with the movement of the Social Security Assistance Index of Prices in the same way as the standard rates for able-bodied recipients. Based on established mechanisms for revising the maximum levels of rent allowance and the rates of the flat-rate grant for selected items of school-related expenses, these two grants would be adjusted downwards by 15.8% and 7.7% from 1 June 2003 and from 2003-04 school year respectively. On the rent allowance, <u>DSW</u> clarified that only the maximum levels would be adjusted. As a result, CSSA recipients paying rent below the revised maximum levels would not be affected by the revision.

#### Meal allowance for full-day students taking lunch away from home

18. <u>Mr LEUNG Yiu-chung</u> noted from Annex 2 to the Administration's paper that the rate of meal allowance for full-day students taking lunch away from home would be reduced to \$195 per month. He pointed out that the adjusted rate, which was approximately \$7 or \$8 per school day, was too low for a student to buy a decent meal. He said that the allowance should not be cut so substantially.

19. <u>DSW</u> clarified that the meal allowance was a supplement to CSSA families with students in whole-day schooling. CSSA standard rates already included provision for meals and those rates for children were higher than those for ablebodied adults aged below 60.

Maximum rent allowance

20. <u>Mr LEE Cheuk-yan</u> said that he was opposed to the downward adjustment of the standard rates of CSSA. He criticized the Government as further reducing the benefits of the vulnerable members of society by cutting the payment rates of the special grants. On the reduction in the maximum levels of rent allowance, he enquired about the number of CSSA recipients to be affected and queried how they could make up the difference between their rent and the reduced allowance.

21. In response to the comments from Mr LEE Cheuk-yan, <u>DSW</u> stressed that the rates of the special grants were adjusted in accordance with the established mechanisms. The Administration had either the delegated authority from the Finance Committee (FC) or discretionary power to adjust the payment rates annually to reflect price changes. However, in view of the sensitivity of the issue, the revision of these special grants had been included in the general deflationary adjustment put out for public discussion in the past months and the decision had been announced on 25 February 2003. The new rates would take effect from June 2003 when the 2003-04 Draft Estimates through the enactment of the 2003 Appropriation Bill was passed by LegCo on 9 April 2003.

22. As regards the question from Mr LEE on the revision of the maximum levels of rent allowance, <u>DSW</u> informed members that 139 129 CSSA recipients resided in public rental housing (PRH) currently. In 99.9% of these recipients, the rent they paid were below the current maximum rent allowance levels. This rate could still be maintained at 97.4% after the adjustment of the maximum levels of the allowance. For the remaining 2.6% CSSA households living in PRH who would have to pay a rent higher than the maximum level, this was mainly due to their residing in bigger (for example, a singleton occupying a 2-P flat) and hence more expensive flats. <u>DSW</u> said that they might need to move to less expensive PRH flats or pay part of their rent by other means, such as engaging themselves in income-generating jobs.

23. <u>DSW</u> further informed members that 58 739 CSSA recipients lived in private tenements. The accommodation cost for 99.9% of them could be met by the current levels of rent allowance. This rate would drop to less than 60% after the revision. She said that this had reflected a phenomenon that the rent for private tenements was usually set according to the maximum rent allowance under CSSA and there was room for downward adjustment given the significant drop in rental over the years. She further informed members that among the 40% or more CSSA recipients whose accommodation cost would not be met with the revised rent allowance, 56% was singletons. They usually resided in cubicles or bed spaces the rent for which was particularly high. She suggested that these

recipients should negotiate a rent reduction with their landlords. <u>DSW</u> added that under very special circumstances, SWD field unit staff was authorised to exercise discretion to grant a grace period of several months for recipients with genuine difficulty and to allow for time for them to look for new accommodation.

24. Mr LEE Cheuk-yan, however, pointed out that there were far more singletons residing in cubicles and bed spaces who were not CSSA recipients. He therefore considered it unlikely that the rent for these tenements was set in accordance with the rent allowance. He said that the rent for these types of accommodation had remained high although that for other private properties might have dropped in the recent years. In the face of the reduction in rent allowance, these individuals would not be able to further reduce their accommodation cost unless they moved to more remote areas, which would then create new problems in commuting and increase their travelling expenses. Mr LEE added that the monthly expenditure of the households covered by the rent index for private housing of the Consumer Price Index (A) (CPI(A)) ranged from \$4,300 to \$17,500 at the price level of 2002. Singletons, whose monthly expenditure was normally below \$4,000, had not been covered by the rent index. He therefore considered that the maximum levels of rent allowance for singleton CSSA recipients should not be adjusted in accordance with the movement of the rent index.

25. In reply, <u>DSW</u> reiterated that the adjustment was made in accordance with She pointed out that the maximum levels of rent established mechanisms. allowance had been increased before in accordance with the movement of the rent index for private housing of the CPI(A). However, the downward trend in private housing rent had continued since April 2002. For the 12-month period ending February 2003, the rent index registered a year-on-year decrease of 6.4%. <u>DSW</u> further advised that singletons might consider moving into the hostels run by non-government organisations (NGOs) the rent for which was lower than the revised rent allowance and vacancies were still available. She said that the revised maximum levels of rent allowance had been approved and would take effect from 1 June 2003. However, she assured members that assistance including referrals for compassionate rehousing would be rendered to CSSA recipients in genuine need under very special circumstances. She added that it was the intent of the Government to encourage able-bodied recipients to support themselves through employment and become more self-reliant. The Government would continue to provide assistance to them in this respect.

26. Sharing the concern of Mr LEE Cheuk-yan, <u>the Chairman</u> opined that because of the great demand for and limited supply of cubicles and bed spaces in the urban area, the rent for these types of accommodation had remained high. He suggested that the Government should take into consideration the plights of the singletons in private tenements and provide PRH to them. He said that he agreed

with Mr LEE that the cost of accommodation of singletons had not been covered by the rent index for private housing in the CPI(A) and considered that the Government should take this into account in future review of the rent allowance. <u>DSW</u> assured members that the Administration would take into consideration the views and suggestions of members in the comprehensive review of the CSSA Scheme in the near future.

#### Flat rate grant for selected items of school-related expenses

27. <u>Mr LEE Cheuk-yan</u> noted from paragraphs 13 and 14 of the Administration's paper that the rates of the flat-rate grant for selected items of school-related expenses were to be adjusted downwards by 7.7% in accordance with the drop in the CPI(A) from 1999 onwards. He pointed out that according to the analysis of the sub-indexes of the CPI(A) by the Hong Kong Council of Social Service, the cost of textbooks in March 2003 had increased by 7.1% over that in 1999-00, contrary to the downward trend in the overall CPI(A). <u>Mr LEE</u> therefore considered that the flat rate grant should not be adjusted downwards together with other special grants in accordance with the CPI(A).

28. <u>DSW</u> responded that the flat-rate grant was introduced in 1996-97 in order to overcome the problems faced by students on CSSA when applying for special grants for school-related expenses on an item by item and a reimbursement basis. The rates of the grant were then set at levels where 90% of the recipients would receive no less than what they should receive under the "reimbursement" system. When approving the grant, FC noted that DSW would exercise his discretionary power in relation to special grants under the CSSA Scheme to adjust the payment rates annually in accordance with the movement of the CPI(A). <u>DSW</u> stressed that the current revision was consistent with that of other special grants as well as the established mechanism. Adjustment of the grant on other basis would violate the mechanism approved by FC.

29. <u>DSW</u> further informed members that even after the 7.7% downward adjustment, the rates of the grant would still be considerably higher than the full rates of assistance for similar purposes for school children from non-CSSA low-income families under the School Textbook Assistance Scheme administered by the Student Financial Assistance Agency, as indicated by Annex 3 to the Administration's paper. She added that the School Textbook Assistance Scheme had included in addition to the cost of textbooks a provision for miscellaneous school-related expenses. <u>DSW</u> further advised that the cost of textbooks was established on an annual survey which was based on the actual costs of the textbooks used by schools in a particular school year. Rates for most of the education levels were reduced in the 2002-03 school year based on the survey.

30. <u>Mr WONG Sing-chi</u> remarked that the reduction in the flat-rate grant had left CSSA recipient families with little money for paying for extra-curricular learning activities for their children to facilitate their all-round development. He asked whether the Government would consider providing a special grant for school students for this purpose.

31. In reply, <u>DSW</u> reiterated that according to Annex 3 to the Administration's paper, the revised rates of the flat-rate grant would still be considerably higher than the full rates of assistance for similar purposes under the School Textbook Assistance Scheme. Hence, there would still be savings for the learning activities suggested by Mr WONG Sing-chi. <u>DSW</u> stressed that it was not appropriate to rely on the CSSA Scheme to provide non-targeted cash allowance for families and individuals, given the drastic increase in the number of CSSA recipients in the recent years and the current stringent financial situation.

32. To address the concern of Mr WONG Sing-chi, <u>DSW</u> advised that opportunities for participating in learning activities outside school were available to students through the concerted efforts of the Government and the community. Commencing from the current school year, the Jockey Club Life-Wide Learning Fund set up with a donation of \$140 million from the Hong Kong Jockey Club would provide financial support for students from CSSA and other low-income families for participating in life-wide learning activities outside classroom. In addition, youth centres and NGOs offering programmes to facilitate the all-round development of school students would usually waive the participation fees for CSSA students.

#### Additional grants for CSSA recipients

33. <u>Mr WONG Sing-chi</u> enquired whether special grants would be provided for CSSA recipients to cope with emergencies such as buying masks and disinfectant for the prevention of Severe Acute Respiratory Syndrome (SARS). Echoing the views of Mr WONG, <u>Mr LEUNG Yiu-chung</u> said that he was disappointed that the Government had ignored the plights of the vulnerable members of society and refused to reverse its decision in reducing CSSA standard rates and special grants. He agreed with Mr WONG that special measures had to be taken by Government during emergencies such as the current outbreak of SARS when extra money was badly needed by CSSA recipients to protect themselves from the disease.

34. <u>DSW</u> explained that the Government would not provide cash allowance for CSSA recipients for this purpose. However, she assured members that SWD had provided assistance in all other possible ways to families and individuals in need. In fact, the Emergency Financial Assistance Scheme for Prevention of the Spreading of Severe Acute Respiratory Syndrome under SWD had been in

operation since the first isolation order was issued by the Director of Health on 31 March 2003, providing prompt financial assistance to people affected by SARS. SWD had also distributed more than one million masks to CSSA recipients and other needy groups through its service units. <u>DSW</u> stressed that during such kind of emergency, every member of society should offer assistance to the under-privileged to enable them to cope with the difficult situation.

# V. An update on the Ending Exclusion Project (EEP) for single parents on CSSA

(LC Paper No. CB(2)1739/02-03(05))

35. At the invitation of the Chairman, <u>DSW</u> highlighted the salient points in the Administration's paper which provided an update on the measures taken to improve the social well being of CSSA single parent recipients under EEP, as well as the preliminary key findings of the one-year Longitudinal Study commissioned by SWD to assess the effectiveness of the Project. She informed members that although the assessment results would not be available until later in 2003 when all data collection had been completed, the preliminary findings from the research had been encouraging in that the number of parents participated in the Project and those who were successful in securing employment after joining EEP had exceeded the department's expectation. However, she pointed out that most of the participants had indicated that they intended to leave the CSSA net only when they could secure employment with an income equivalent to the amount of CSSA allowance they were receiving. <u>DSW</u> said that this might not be easily achieved since this implied that participants from a three-person family might have to earn more than \$8,500 per month in order to be independent of the CSSA net. She therefore suggested that it might be necessary to further review this issue in future.

36. Noting from paragraphs 19(d) and 20 of the Administration's paper that the rate of using the free After School Care Programme (ASCP) service was on the low side, Mr LEUNG Yiu-chung asked whether the participants had found the centres offering the care service too far away from their residence. DSW responded that the issue had also been brought under the special attention of the She informed members that \$3 million had been reserved for the department. ASCP but only \$150,000 had been spent so far. She explained that the coupon concept was introduced based on the philosophy of funding the service user direct rather than through the conventional way of funding the service provider. It was therefore a more flexible arrangement as parents might choose their preferred centre from among the 130 or more participating centres to receive the government-subsidised service for their children. Moreover, the coupons had been issued very leniently to the parents in need. As indicated from the Longitudinal Study, this programme was welcomed by most participants.

37. <u>DSW</u> reckoned that participating parents with children aged between 6 and 12 might have problems in arranging for taking their children to the care centre after school. The inflexible operating hours of the centres might also prevent participants from using this service despite the fact that some centres had already extended their operating hours. <u>DSW</u> added that to address the problems arising from commuting between schools and care centres, the Administration had been exploring with some schools the possibility of their providing service under ASCP.

### VI. Progress report on phasing out of self-care hostels and homes for the aged (LC Paper No. CB(2)1739/02-03(06))

38. At the invitation of the Chairman, <u>DSW</u> briefed members on the background to and the progress to date of the phasing out of self-care hostels for elders (S/C) and homes for the aged (H/A) as set out in the Administration's paper. She said that the issue was not controversial from a policy point of view. She explained that SWD had acted on the recommendation of the Elderly Commission (EC) and the Audit Commission in coming up with a firm plan to phase out S/C and H/A and pursuing a strategy of directing residential care services to elders with genuine needs while encouraging and facilitating elders with no or low impairment to age in their familiar environment.

39. <u>DSW</u> continued to inform members that to implement the above-mentioned policy objective, SWD had undertaken a number of related initiatives to strengthen community support services and the matching of services for elders in recent years. Currently, there were over 1 000 home care places available for matching to frail elders including those moderate level of impairment to be looked after at home. These services would be provided to eligible applicants immediately without any waiting time.

40. <u>DSW</u> added that she did not agree to the criticism from some NGOs that the phasing out plan had been implemented in a hurry with less than ten days' notice to NGOs. She explained that discussions had been held with the Hong Kong Council of Social Service and NGOs before the briefing on 18 December 2002. The purpose of the briefing conducted by herself was only to formally announce the date on which new S/C and H/A admission applications would not be accepted as well as the phasing out arrangements. <u>DSW</u> stressed that by ceasing admission onto waiting list for S/C and H/A places, the Government had not cut the services to elders but had instead provided earlier access to services that could better meet their specific needs. The S/C and H/A waiting process was

not meeting elders' immediate service needs such as that for emotional support. By stopping the practice of waitlisting elders for S/C and H/A, the Government had ensured that attending caseworkers would carefully assess elders' genuine needs and make the appropriate arrangements. To illustrate the improved services provided to elders, she quoted a case in which compassionate rehousing was arranged for an elder within seven weeks. She admitted that it would be an ideal arrangement if the Guidebook on Services for Elders would be distributed to NGOs earlier. However, she considered that there had already been sufficient time for NGOs to disseminate the information before 1 January 2003.

#### Meeting with deputations

41. At the invitation of the Chairman, two deputations presented their views on the subject which were summarized in paragraphs 42 and 43 below.

#### Association for the Rights of the Elderly

42. Dr LI Ping-wai, Chairperson of the Association for the Rights of the Elderly, briefed members of the views of the Association which had been included in its submission (LC Paper No. CB(2)1739/02-03(07)) as follows -

- (a) SWD had only informed NGOs of its intention to phase out S/C and H/A before the briefing on 18 December 2002. It had not consulted their views on the plan or provided details of the implementation schedule;
- (b) SWD had informed NGOs on 18 December 2002 that no new applications for admission to S/C and H/A would be accepted as from 1 January 2003. There was not sufficient time for NGOs to disseminate the related information to their frontline staff and clients before the implementation of the phasing out plan;
- (c) SWD should clarify with NGOs whether it would continue to subsidise S/C and H/A and where the savings from the phasing out plan would be redeployed; and
- (d) Government should conduct briefings for the elders concerned and their families on the phasing out plan and consult NGOs on how services should be provided to best meet the needs of elders.

#### Fight for Social Welfare Alliance

43. Mr TSE Sai-kit and Mr CHENG Ching-fat, Representatives of Fight for

Social Welfare Alliance, highlighted the salient points in the submission of the Alliance (LC Paper No. CB(2)1739/02-03(08)) as follows -

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- (a) SWD had not consulted NGOs on the phasing out plan or provided details of the plan to them before the briefing on 18 December 2002;
- (b) DSW should apologize to elders for not consulting them on the change in the services provided to them and for effecting such an important change with so short a notice;
- (c) Government had cut the services provided for elders so as to achieve savings under the current stringent financial situation;
- (d) under the previous arrangements, services had in fact been provided to applicants on S/C and H/A waiting lists to satisfy their immediate needs;
- (e) it was irresponsible for SWD to cease the admission to the S/C and H/A waiting lists before the effectiveness of the re-engineering of community support services and residential care services had been proved;
- (f) the continued reduction in S/C and H/A places would lead to closure of these facilities, resulting in elders moving from one facility to another;
- (g) with the reduction in Government subsidised residential care places, frail elders in S/C and H/A might not be able to move to C&A homes and receive services that could meet their real needs; and
- (h) SWD should cease the implementation of the phasing out plan and consult NGOs in determining the kind of services to be provided to elders in future that could best meet their needs.

44. To address the concerns expressed by the deputations,  $\underline{\text{DSW}}$  reiterated that she did not agree that the phasing out plan had been implemented at short notice. She clarified that there had not been a change in the policy. In fact, it was the Government policy to reduce S/C and H/A places over the years through conversion into C&A places and gradually phase out the service. It was therefore only logical to cease accepting new applications for these places when alternative community and home based services as well as housing support were available. <u>DSW</u> added that to facilitate case review by workers after the implementation of the phasing out plan, SWD had distributed the Guidebook on Services for Elders to NGOs to provide details on the wide spectrum of community support services in health, housing and welfare programmes available to elders. With the assistance of this Guidebook, NGOs should be able to explain to elders the phasing out arrangements and make appropriate referrals to meet the welfare needs of the elders.

45. <u>DSW</u> assured members that if elders on the waiting lists insisted to remain on the lists to await their turn for admission when vacancies from the reduced stock of S/C and H/A became available, they would be allowed to do so and NGOs would continue to provide services for these elders. In fact, with the phasing out plan in place, workers were required to review the welfare needs of elders on the existing waiting lists. As a result, more frail elders who had care needs were referred to the C&A waiting list. She also reiterated that SWD would be willing to discuss with NGOs the conversion of existing H/A places in suitable premises into C&A places. However, not all H/A places were technically suitable for the conversion and SWD was prepared to set aside some new purposebuilt Residential Care Home for Elders premises originally intended for competitive bidding for reprovisioning H/A so that they could serve elders of a higher level of frailty such as those requiring C&A or Nursing Home attention.

46. As regards where the savings from the phasing out plan would be redeployed, <u>DSW</u> said that she was not able to provide an answer at this stage. She said that SWD was required to identify savings of 1.8% from its \$11 billion welfare service expenditure in 2003-04 and deliver a higher savings target thereafter under the Government's overall target to reduce the fiscal deficit by 2006-07. <u>DSW</u> stressed that phasing out of S/C and H/A had been identified as an area for efficiency savings. It also represented optimal and rational use of community resources, including both housing and welfare, which was particularly relevant under the current fiscal situation. She informed members that significant improvements had been made by the Housing Authority (HA) in meeting elders' housing needs both in terms of quantity and quality. More self-contained small flats adopting universal design were being built to cater for the preferences of Thus, it could be conceived as that savings in welfare expenditure arising elders. from phasing out S/C and H/A was possible because of investment under the housing programme to meet the housing needs of elders. <u>DSW</u> supplemented that the Administration would submit a paper on the subsidy arrangements for residential care services for frail elders for the consideration of the Panel at its next meeting on 12 May 2003. She said that many problems regarding the funding for subvented homes would be addressed under these proposed arrangements when subsidies for residential care services for frail elders would be provided to the service users instead of the service providers as in the conventional way.

#### Discussion

#### Implementation of the phasing out plan

47. <u>The Chairman</u> remarked that the Panel had not received any information from the Administration on the phasing out plan before its implementation. He said that he had learnt about the plan from the public hearing of the Public Accounts Committee on 6 May 2002 and the sharing session on 18 July 2002, and had become aware of the implementation date from the news report on the briefing on 18 December 2002. He pointed out that the announcement was made just a few days before the Christmas holidays. Given the impact of the plan on elders, the Administration should have announced the implementation date earlier so that there would be sufficient time for NGOs to disseminate the information to their frontline workers and elders.

48. Echoing the views of the Chairman, <u>Mr LEE Cheuk-yan</u> considered that DSW should apologize to elders for failing to consult them on and give a longer notice of the implementation of the plan. He said that the elders were ignorant of the phasing out plan and that they should have been given several months' notice of the implementation of a plan with such a great impact on the services available to them. <u>Mr LEE</u> reckoned that if elders had known about the cease of admission to the waiting lists for S/C and H/A earlier, they might have chosen to submit applications for these places before the implementation date. However, they were denied such a choice under the present implementation arrangements.

49. <u>DSW</u> responded that the Administration considered the phasing out plan a right step to take in order to actualize the concept of ageing in the community and achieve optimal and rational use of community resources. Elders would be able to benefit from the plan and enjoy improved services that could better meet their needs. She informed members that SWD had received letters of appreciation from some elders expressing gratitude towards the information and services provided to them by staff of the department. She said that she did appreciate the concerns and anxiety of NGOs about the possible reduction in subsidies and hence laying off of staff brought about by the phasing out plan. She assured members that the Administration would be willing to hold discussions with NGOs on this issue.

50. Sharing a similar concern, <u>Mr WONG Sing-chi</u> pointed out that some NGOs and elders might not be aware of the implementation of the phasing out plan even after the announcement on 18 December 2002. He cited an example in which S/C and H/A had still been widely publicized in a recent fundraising television programme of a NGO.

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51. <u>DSW</u> responded that the old concept of residential services for elders had to be changed and public education on the new concept of ageing in the community should be enhanced. She undertook to reflect this to the Elderly Commission.

#### Ageing in the community

52. <u>Mr WONG Sing-chi</u> noted that ageing in the community had been adopted as the strategy under the Policy Objective on Care for Elders. He pointed out that under the existing system, elders had to move out from their families in order to be eligible for CSSA. He suggested that the CSSA Scheme should be extended to elders living with their families so as to encourage ageing in the families.

53. <u>DSW</u> explained that she did not consider it justified to change the one household rule in the eligibility criteria for CSSA. She pointed out that families should be encouraged to take care of their elders and vulnerable members of the family instead of passing the responsibility to the Government. However, she assured members that discretion would always be exercised by staff of SWD in administering the CSSA Scheme to grant assistance to elders in genuine need under exceptional circumstances. She cited as an example a case in which an elder who had been abused by his family members was granted CSSA whilst living with his family and more recently, assisted through compassionate rehousing.

#### Community support services

54. In response to the request from Mr WONG Sing-chi for an assessment report on the effectiveness of the community support services for elders, <u>DSW</u> informed members that such services had been enhanced in the past years in order to implement the policy objective of targeting residential care services to elders with genuine needs and facilitating community-based support. These included strengthening carer support and implementing Support Teams for Elders, introducing the Enhanced Home and Community Care Services in early 2001, launching an extensive re-engineering of existing Social Centres and Multi-Service Centres for Elders, and upgrading all but one Home Help Teams into Integrated Home Care Services Teams. The emotional needs of elders would also be taken care of by 200 or more NGOs. DSW said that user satisfaction surveys on some of these services had been conducted. She undertook to provide a paper on the results of these surveys to members for reference. She added that an allocation of \$99.8 million had been reserved for the re-engineering of community support services in 2003-04. The department would consider the suggestion of Mr WONG Sing-chi of commissioning a study on the effectiveness of the re-engineering exercise.

55. Noting from paragraph 9 of the Administration's paper that referral mechanisms between SWD and the Housing Department (HD) in respect of elders to meet their housing needs had been established, <u>the Chairman</u> enquired about the number of housing units that would be provided to elders by HA and the Housing Society. He also suggested that the public and NGOs should be consulted on how the housing needs of elders could best be met in future.

56. <u>DSW</u> informed members that in the past four months, SWD had reviewed the needs of the elders involved in 2 867 cases. Only 14 of them had housing needs. These cases were referred to HD for consideration and seven of them had already been granted PRH units. This had reflected the effectiveness of the referral mechanisms.

#### Conversion of H/A

57. Noting from paragraph 18(a) of the Administration's paper that only 38% of existing H/A places were technically suitable for conversion into C&A places, <u>Mr LEE Cheuk-yan</u> enquired about the total number of H/A places that the Government had planned to convert into C&A places and the reasons for the remaining 62% not being suitable for the conversion.

58. <u>The Chairman</u> expressed similar concern about the conversion arrangements. He estimated that it might take three to four years before elders on the existing waiting lists would all be allocated S/C or H/A places. He sought clarification on the arrangements for the phasing out and conversion of these places during this period. He also suggested that a steering committee be formed to oversee the exercise.

59. To address the concerns of Mr LEE Cheuk-yan and the Chairman, <u>DSW</u> clarified that phasing out of S/C and H/A would be achieved through natural wastage as there were still over 4 000 elders on the waiting lists for these places and the principle of ageing in familiar place would be upheld for elders in these homes. On the other hand, she recognised that it would be practically difficult to reduce the subvention for these homes in proportion to the drop in occupancy during the next few years. These were the issues she would be happy to engage the home operators to address and resolve.

60. <u>DSW</u> admitted that the conversion of H/A places to C&A places was a very complicated issue. She assured members that the Administration would consider the suggestion of setting up a steering committee and discuss with NGOs about the conversion. She stressed that NGOs had to understand that under the overall environment to achieve savings, service rationalisation such as phasing out S/C and H/A places was a better arrangement than cutting NGO subventions across the

board.

61. As regards the suitability of H/A for conversion into C&A homes, <u>DSW</u> explained that since the requirements on the premises of H/A and C&A homes were different, some H/A might not be suitable for the conversion. At the same time, the availability of resources would also be another factor for consideration. She said that the average operating cost for a H/A place was around \$4,000 while that for a subvented C&A place was around \$8,400. Under the current stringent financial situation, the Government would not be able to pay for the full difference in operating cost upon conversion. However, if H/A were willing to convert into C&A homes at an average cost of \$5,600 per place which was similar to that of contract C&A homes, SWD might be in a better position to facilitate such conversion.

62. <u>Mr LEE Cheuk-yan</u> enquired about the total number of subsidised C&A places to be provided in Hong Kong after the phasing out of S/C and H/A. He expressed concern that while S/C and H/A places were to be phased out, the number of C&A places might not be increased correspondingly to cater for the needs of elders since it was unlikely that all the 38% of H/A places might be able to be converted into C&A places for the reasons given by DSW in paragraph 61 above. He opined that in view of the great demand for C&A places, the Government should arrange to convert all the existing H/A places into C&A or other care places for elders. <u>DSW</u> said that she was not able to provide an answer at this stage since she did not know the total amount of resources available to SWD in future.

#### VII. Any other business

63. There being no other business, the meeting ended at 12:55 pm.

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