

立法會
Legislative Council

LC Paper No. CB(2)1384/03-04
(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

Panel on Welfare Services

**Minutes of special meeting
held on Friday, 9 January 2004 at 3:30 pm
in the Chamber of the Legislative Council Building**

- Members present** : Hon CHAN Yuen-han, JP (Chairman)
Dr Hon LAW Chi-kwong, JP (Deputy Chairman)
Hon Cyd HO Sau-lan
Hon LEE Cheuk-yan
Hon Fred LI Wah-ming, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
Hon LEUNG Yiu-chung
Hon LI Fung-ying, JP
Hon Henry WU King-cheong, BBS, JP
Hon Michael MAK Kwok-fung
Hon Albert CHAN Wai-yip
Hon WONG Sing-chi
Hon Frederick FUNG Kin-kee
- Members absent** : Dr Hon David CHU Yu-lin, JP
Dr Hon YEUNG Sum
Hon CHOY So-yuk
- Public Officers attending** : Dr E K YEOH, JP
Secretary for Health, Welfare and Food
- Mrs Carrie YAU, JP
Permanent Secretary for Health, Welfare and Food

Mr Paul TANG, JP
Director of Social Welfare

Miss Susie HO, JP
Deputy Secretary for Health, Welfare and Food (Welfare)

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

Clerk in attendance : Miss Mary SO
Chief Council Secretary (2) 4

Staff in attendance : Miss Millie WONG
Senior Council Secretary (2) 4

I. Policy initiatives of Health, Welfare and Food Bureau
(LC Paper No. CB(2)930/03-04(01))

Secretary for Health, Welfare and Food (SHWF) highlighted the need to take a social investment approach in building a more inclusive and participatory society through investing in capacity building of personal and community capabilities, as set out in the above Administration's paper on the initiatives affecting the Health, Welfare and Food Bureau (HWFB) in the 2004 Policy Agenda, as follows -

- (a) More individuals and families were facing varying degree of changes with uncertainties in terms of the relevance of skills and qualifications, job security and stability in family relationships. This had prompted the Government to reflect on its policy directions, and in the context of social problems, the adequacy of the conventional approaches in the structure, organisation and delivery of social welfare services;
- (b) Every one was born with different abilities and potentials and acquired capabilities and skills as he/she developed, which when encountered different circumstances at different stages in life, either enabled him/her to meet these life challenges or create vulnerabilities. Against this background, it was crucial to enhance individuals' preparedness and resilience to cope with many life challenges. In this regard, capacity building was the key;

- (c) Whilst education and training were important for self-advancement, welfare, medical and other public health services provided the key co-ordinating and supporting role. There was a need to ensure that the services or assistance provided by Government could encourage self-help and mutual assistance so as to promote self-reliance and development of individual potential to the full;
- (d) On the social welfare front, there was a need to re-focus on the "social investment" concept to strengthen the capacities and capabilities of individuals, families and communities, foster self-help, mutual help, networking and support, and encourage giving in terms of donations and volunteerism. Such paradigm shifts would encourage self-reliance and self-betterment and facilitate economic and social inclusion and integration at the individual level; and build up human capital and social capital and strengthen intergenerational solidarity and cohesion at the societal level;
- (e) As a start, HWFB would engage the third sector (i.e. groups which were non-government and non-business) in developing new strategic directions in relation to shifting from the "service provision" approach to a "social investment" concept and "capacity building" approach; and
- (f) Greater efforts would be put into further developing the tripartite partnership between Government, the business community and the third sector in building up social capital. The seeds for such partnership had been sown by initiatives in the social welfare sector to encourage volunteerism and business sector participation and when the Government first set up the Community Investment and Inclusion Fund (CIIF) in 2002. The Fund had been operating effectively in the past year in mobilising local resources and drawing together different facets of the community in joint efforts to build up social capital. There was scope for furthering such good work. In consultation with the Social Welfare Advisory Committee (SWAC) and the CIIF Committee, HWFB would examine how best to further develop such tripartite partnership, consolidate and facilitate the work of these initiators, with a view to having these concepts taken root in the community. In particular, greater involvement from the business, corporate and professional sectors to partner with the Government and the third sector in furthering their corporate social responsibilities would be encouraged.

2. Mr LEE Cheuk-yan expressed concern about the paucity of the 2004 Policy Agenda in addressing the worsening poverty situation in Hong Kong. Although

the idea of engaging the third sector in the deliberations of their roles in social investment was worthy of support, this still failed far short of addressing the problem. This was because helping poor people to enhance their capacity for self-reliance and self-betterment could not be made possible if they were deprived of employment and training opportunities. In respect of the latter, this was not helped by the reduction of Government funding on adult education. Noting the plan to examine ways on how to help poor people elevate themselves advocated by the Chief Executive in his 2004 Policy Address, Mr LEE was of the view that a better approach would be to find out ways on how to improve the poverty situation. Mr LEE also hoped that the Government would not curtail spending on children on Comprehensive Social Security Assistance (CSSA), as this would deprive them of the opportunities to develop their potentials, say, through participation in extra-curricular activities. Many studies had revealed that sustained poverty would continue onto the next generation if children grew up under poor developmental conditions.

3. SHWF responded that the problems highlighted by Mr LEE in paragraph 2 above were precisely why the Government set on developing a strategy to enhance social capital, the reasons for which were given at the outset of the meeting. For instance, the CIIF had demonstrated that individuals in marginalised or adverse circumstances could become self-supporting if given the opportunity to develop their potential, without having to undergo training or formal education. One CIIF project had successfully empowered a group of middle-aged unemployed women without formal qualifications or work experience to turn their child rearing skills into paid jobs and acquired the organisational skills on the job to develop a work-co-operative. Notwithstanding this, the Government would keep its social safety net, in particular the CSSA Scheme, under review to ensure Hong Kong had an effective and sustainable safety net to assist the financially vulnerable. SHWF further said that although addressing the problem of poverty in Hong Kong was not under the remit of HWFB, it was incumbent upon HWFB to help able-bodied CSSA or near CSSA recipients to move towards self-reliance. To this end, HWFB would examine the adequacy of the conventional approaches in the structure, organisation and delivery of social welfare services and how best investment in capacity building of individuals and support network of the community could be made.

4. Mr WONG Sing-chi asked the following questions -

- (a) What measures would be taken by the Administration to assist non-governmental organisations (NGOs) operated under the Lump Sum Grant (LSG) subvention system in achieving the efficiency savings to be applied to recurrent subventions from 2004/05 to 2008/09;
- (b) What was the Administration's definition of poor people;

- (c) Whether consideration would be given to establishing a poverty line; and
- (d) When would the study on examining how best to help poor people elevate themselves be completed.

5. SHWE responded that the Social Welfare Department (SWD) had commenced discussion with all subvented NGOs to see whether they had any problems in achieving the target savings for the next five years (2004/05 to 2008/09) expected to be about 10%. However, SWD had assured NGOs that should they have any problems in achieving the target savings in 2004/05, the Department would endeavour to assist. SHWE further said that in order to help NGOs sustain the quality and efficiency of their welfare services and/or introduce new welfare services beyond 2004/05, the Administration would examine the viability of furthering the involvement of the business sector in welfare services.

6. Director of Social Welfare (DSW) supplemented that efficiency savings should not impede NGOs in planning their services, as they were apprised of the target savings of about 10% over the next five years and knew that the tide-over grant (TOG) would expire in 2005/06. Furthermore, SWD would meet with the NGOs to discuss longer term (2005/06 – 2008/09) savings measures and the impact of the expiry of the TOG. DSW further said that a study would be conducted by SWD to find out the impact of the expiry of TOG on the operation of NGOs concerned.

7. On the definition of poor people and the establishment of a poverty line, SHWE said that there was no agreed definition on poverty, and as such, there could be no agreed measurement of poverty. Notwithstanding this, the common goal was to provide assistance for the disadvantaged. In the context of Hong Kong, rather than adopting a single income line to define poverty, disadvantaged members of society was defined as those to whom greater support and assistance should be given. To this end, a budget standards approach in the CSSA Scheme was adopted to ensure that needy individuals and families had adequate financial resources to meet their basic and essential needs. SHWE however pointed out that this did not mean that support and assistance would not be given to people whose income level just exceeded that of CSSA. For instance, in order to prevent people from falling into safety net, other forms of support and assistance, such as employment support services, emergency relief, grants from charitable trust funds, medical waivers and assistance in kind, were available to the eligible.

8. As to Mr WONG's last question, SHWE said that the study on how best to help CSSA and near CSSA recipients elevate themselves was expected to take three to six months' time. The Chairman hoped that the Administration could revert members on the outcome of the study before July 2004.

9. Mr WONG Sing-chi urged the Administration to see that operators of NGOs on LSG would consult their staff before making adjustments for efficiency savings. SHWF agreed.

10. Dr LAW Chi-kwong said that by saying helping poor people to elevate themselves had the connotation that their plight was due to the facts that they had low educational attainment and/or had little or no skills. In his view, to better help poor people out of their predicament was for the Administration to find out how much of their plight was caused by their own circumstances or by economic restructuring. Dr LAW echoed Mr WONG Sing-chi's view that no children and young people should be deprived of opportunities for development due to lack of means. Although it was not the sole responsibility of HWFB to solve the problem of poverty, it nevertheless was responsible for the provision of youth services. However, no actions had been taken to assess how effective the youth services, in partnership with primary and secondary schools, were in providing equal development opportunities for disadvantaged children and youngsters. Dr LAW further said that the Administration should expeditiously come up with a blueprint on social welfare development, so as to enable the welfare sector to plan their future services, particularly in light of the efficiency savings in relation to NGOs. Moreover, many services, such as rehabilitation service and elderly service, often required premises and trained personnel staff which/who invariably took a long lead time to realise.

11. SHWF reiterated that the study was aimed at finding out how effective the existing social programmes were in helping the vulnerable groups, and what modifications, if any, were needed to achieve the desired effect. Apart from this, HWFB would examine, in consultation with SWAC and the CIIF Committee, ways to consolidate and promote the successful experience of CIIF, the objective of which was to expand capacity, extend partnership and build consensus. In this connection, the Administration would invest in human capital and develop infrastructure to help individuals to strengthen their personal assets both in terms of their health and life skills. SHWF further said that the lack of a blueprint on social welfare services did not mean that there was no planning on such. For instance, the Administration had a good grasp of the services required by the elderly, in terms of residential and community care, in the long run based on population projection.

12. Dr LAW hoped that the study on examining how best to help poor people elevate themselves would not consider only the views of service providers and users, and also those from different sectors of the community.

13. Ms LI Fung-ying queried how the Administration could ensure that the level of welfare services provided by NGOs on LSG could be maintained when the tripartite partnership was yet to bear fruits and the operating expenditure of these NGOs would be reduced over the next five years. To her understanding, the

percentage reduction in the operating expenditure of NGOs on LSG for 2004/05 was higher than the 11% cut in operating expenditure of Government departments over the next five years as announced by the Financial Secretary.

14. SHWE responded that the percentage reduction in operating expenditure for 2004/05 was generally higher than the succeeding years. It should however be pointed out that the percentage of cut in the operating expenditure of NGOs for 2004/05 was milder than that for SWD and HWFB which stood at over 3%. To his understanding, the majority of NGOs concerned could still maintain their existing level of services for 2004/05 with the 2.5% reduction in subvention allocation. Moreover, as mentioned earlier at the meeting, SWD would endeavour to assist those NGOs which had difficulty in meeting the target savings for 2004/05. SHWE further said that the main concern from the welfare sector was whether it could cope with further cuts for the remaining four years after 2004/05, and the fact that TOG would expire in 2005/06. In this connection, SWD would shortly discuss with the NGOs on these issues.

15. DSW supplemented that SWD had already apprised all NGOs concerned of the need to achieve the target savings of 2.5% in 2004/05. DSW believed that by and large welfare services provided by these NGOs would not be affected by the 2.5% in reduction in operating expenditure. He further said that only a few services which had previously been planned to undergo re-engineering or rationalisation would be affected. DSW further said that efficiency savings would not be applied to Government expenditure on social security benefits. This was to ensure that the vulnerable members of the community and others in need would continue to be provided with a basic safety net.

16. Ms LI Fung-ying asked whether the existing welfare services would gradually be replaced by services aimed at encouraging self help and mutual assistance, having regard to the Administration's plan to shift from the "service provision" approach to a "social investment" concept and "capacity building" approach in helping the vulnerable groups.

17. SHWE clarified that that such paradigm shift did not mean that the conventional mode of providing support and assistance to the needy would necessarily be phased out. The only change was to view services provided to the needy as a social investment. This was to ensure that these services were in fact investing in individuals, families and the community to enhance their capacity to cope with adversities, and seek to maximise individual's strength, promote self-reliance and self-betterment.

18. Mrs Sophie LEUNG shared Dr LAW Chi-kwong's view that in order to better pull different groups of poor people out of their plight, it was necessary to find out the reasons which caused them to become poor. Mrs LEUNG however pointed out that as resources were finite, assistance and support to the poor people

Action

should aim at helping them to become self-reliance. Such assistance and support could no longer be borne solely by the welfare sector, in view of the aggravating problem of poverty brought about by globalisation generally in many places around the world and Hong Kong was no exception. To this end, many western countries were actively promoting private and public sectors partnership in helping poor people to become self-reliance. Notwithstanding, Mrs LEUNG was of the view that only by re-vitalising the economy could the poverty problem in Hong Kong be improved. As the problem of poverty was complex and straddled various policy areas, the whole of the Government should take the lead in opening discussions with the community at large in formulating a comprehensive policy to address the problem.

19. In summing up, the Chairman said that the Government should come up with effective measures to help people who suffered unemployment brought about by economic adjustments. In so doing, consideration should be given to establishing a poverty line or minimum wage and setting up an old age pension scheme. The Chairman further said that the Administration should revert to members on the outcome of the study to elevate poor people themselves in May or June this year. SHWF clarified that the study would not examine the establishment of a poverty line but rather would review how effective the existing social programmes were in helping the vulnerable groups, and what modifications, if any, were needed to achieve the desired effect. He said that the Administration would aim to make report back by June even if the study could not be completed by then.

Admin

20. There being no other business, the meeting ended at 4:33 pm.

Council Business Division 2
Legislative Council Secretariat
17 February 2004