

立法會
Legislative Council

LC Paper No. CB(2)1608/03-04

(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

Panel on Welfare Services

Minutes of meeting
held on Monday, 9 February 2004 at 10:45 am
in Conference Room A of the Legislative Council Building

Members present : Hon CHAN Yuen-han, JP (Chairman)
Dr Hon LAW Chi-kwong, JP (Deputy Chairman)
Dr Hon David CHU Yu-lin, JP
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
Dr Hon YEUNG Sum
Hon CHOY So-yuk
Hon LI Fung-ying, JP
Hon Henry WU King-cheong, BBS, JP
Hon Albert CHAN Wai-yip
Hon WONG Sing-chi
Hon Frederick FUNG Kin-kee

Member absent : Hon Michael MAK Kwok-fung

Public Officers attending : All items
Mr Paul TANG, JP
Director of Social Welfare

Mrs Agnes ALLCOCK, JP
Deputy Director of Social Welfare (Administration)

Item III

Mr CHENG Chok-man
Chief Social Security Officer (Social Security) 1

Items III and IV

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

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

Item IV

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

Professor LEUNG Kwok
Head, Department of Management
City University of Hong Kong

Item V

Mrs Carrie YAU, JP
Permanent Secretary for Health, Welfare and Food

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

Miss Ann HON
Assistant Director of Social Welfare (Subventions and
Performance Monitoring)

Mr FU Tsun-hung
Chief Social Work Officer (Subventions Liaison)

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

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

I. Information papers issued since the last meeting

(LC Paper Nos. CB(2)995/03-04(01) and 1108/03-04(01))

Members noted the following papers issued since the last meeting, and did not raise any query -

- (a) Letter dated 8 January 2004 from the Social Work Assistant Branch of the Hong Kong Chinese Civil Servants' Association addressed to the Department of Social Work and Social Administration of the University of Hong Kong and copied to the Chairman of the Panel on the "Provision of Social Work Staff in Integrated Family Service Centre"; and
- (b) Letter dated 3 December 2003 from the Society for Community Organisation requesting the Panel to discuss the proposal of increasing the Old Age Allowance to \$1,000 to address the growing problem of poverty amongst elders not on Comprehensive Social Security Assistance (CSSA).

II. Items for discussion at the next meeting

(LC Paper Nos. CB(2)1181/03-04(01) and (02))

2. Members noted the following papers tabled at the meeting -

- (a) The Administration's response dated 7 February 2004 to the letter of Society for Community Organisation mentioned in paragraph 1(b) above; and
- (b) A joint submission dated 9 February 2004 from the Hong Kong Council of Social Service (HKCSS), Hong Kong Social Workers Association (HKSWA) and Hong Kong Social Workers' General Union (HKSWGU) urging the Administration to withhold

implementing efficiency savings in the welfare sector for the coming five years.

3. Members agreed to discuss the following items at the next regular meeting scheduled for 8 March 2004 -

- (a) Implementation of efficiency savings in the welfare sector;
- (b) Measures to address poverty; and
- (c) Final report on the three-year action plan to help street sleepers and the way forward.

Members further agreed to invite deputations to hear their views on all three items and to extend the meeting time to 1:30 pm.

4. Director of Social Welfare (DSW) said that the Administration would be happy to listen to the views of deputations on measures to alleviate poverty. However, the Administration would not be in a position to respond to the matter then, as a study would be conducted to find out how effective the existing employment assistance programmes under Social Welfare Department (SWD) were in helping the vulnerable groups, and what modifications, if any, were needed to achieve the desired effect. The study was expected to take three to six months' time to complete.

5. The Chairman said that Miss CHOY So-yuk requested to expeditiously discuss the issue of expanding the coverage of the Portable CSSA Scheme to Fukien Province and other provinces and to relax the permissible limits of absence from Hong Kong under the Scheme. Members agreed to include Miss CHOY's request in the list of outstanding items for discussion.

III. Supplementary provision for the Comprehensive Social Security Assistance Scheme
(LC Paper No. CB(2)1181/03-04(03))

6. At the invitation of the Chairman, DSW briefed members on the Administration's intention to apply for a supplementary provision of \$300 million for the CSSA Scheme from the Finance Committee (FC) in February 2004, details of which were given in the above Administration's paper.

7. Dr LAW Chi-kwong and Mr LEE Cheuk-yan expressed support for the supplementary provision of \$300 million for the CSSA Scheme to cope with the

Action

difficult situation caused by the unprecedented outbreak of Severe Acute Respiratory Syndrome (SARS) occurred in Hong Kong from March to June last year.

8. Mr LEE Cheuk-yan noted from paragraph 7 of the Administration's paper that between April and December 2003, the overall CSSA caseload had increased by 6.7%. In the light of this, Mr LEE requested the Administration to provide information on the percentage changes in the number of unemployment CSSA cases between April and December 2003 vis-à-vis that of the unemployment rate during the same period.

9. DSW responded that he did not have the information requested by Mr LEE Cheuk-yan in paragraph 8 above in hand, and would provide them after the meeting. DSW however pointed out that the number of CSSA unemployment cases had been on a gradual decline since October 2003. The rate of decrease in the number of these CSSA unemployment cases was slower than that of the unemployment rate in recent months. It was also envisaged that the rate of decrease in the number of CSSA unemployment cases would exceed that of the overall CSSA caseload in the coming months.

10. Mr Frederick FUNG hoped that the Administration would refrain from conveying a message to the public that people on CSSA were lazy people, as evidenced by the drop in the number of unemployed applying for CSSA in recent months due to the recovery of the economy after SARS.

11. DSW responded that the Administration had never said that people on CSSA were lazy people. DSW further said that the focus of the Administration had been and would continue to be helping able-bodied CSSA or near CSSA recipients to move towards self-reliance.

12. In summing up, the Chairman said that members were supportive of the Administration's proposal to seek FC approval for a supplementary provision of \$300 million for the CSSA Scheme in February 2004.

IV. Evaluation report on the ending exclusion project for single parents on Comprehensive Social Security Assistance
(LC Paper No. CB(2)1181/03-04(04))

13. At the invitation of the Chairman, Professor LEUNG Kwok gave a power point presentation on the findings of the evaluation report on the Ending Exclusion Project (EEP) for single parents on CSSA. DSW supplemented that as the EEP had been well received by participants generally and was endorsed by relevant

parties, the Administration had decided to continue with the programme. In addition, in view of the rise in the single parent caseload over the recent past and concerns expressed by the Ombudsman, a review on the entire issue of single parents on CSSA would be conducted to understand the present situation better and to make recommendations for any suitable improvement measures to help single parents achieve self-reliance.

14. Ms LI Fung-ying asked the following questions -

- (a) What types of employer hired the EEP participants and the types and salaries of the job secured by EEP participants; and
- (b) Whether the cost benefit analysis of the EEP, referred to in paragraph 15(h) of the Administration's paper, included additional Government expenditure incurred elsewhere due to the implementation of EEP.

15. Professor LEUNG Kwok responded that he did not have the details on the types of employer which hired the EEP participants and the types of job secured by these participants on hand and could provide them after the meeting. Notwithstanding, Professor LEUNG said that to his understanding, the types of job generally secured by EEP participants were mainly menial in nature, such as cleansing job. As to the salaries of the job secured by EEP participants, Chief Social Security Officer (Social Security) 4 said that such information was contained in Appendix II of the Administration's paper.

16. Regarding Ms LI's second question, Assistant Director of Social Welfare (Social Security) (ADSW) said that EEP was a relatively economical programme to run as the major expenditure was on the hiring of Employment Assistance Coordinators.

17. Dr YEUNG Sum said that at present, CSSA recipient's monthly earnings could be disregarded up to a maximum of \$1,805. To provide a greater incentive to work, the maximum level of disregarded earnings for single parents with young children had been revised from \$1,805 to \$2,500 per month under the CSSA Scheme since March 2002. In view of the improved incentive to work of the EEP participants revealed by the findings of the evaluation report on the Programme, Dr YEUNG asked consideration would be given to also raising the amount of monthly disregarded earnings for other CSSA recipients to \$2,500.

18. DSW responded that the Administration had no plan to revise the maximum level of disregarded earnings for CSSA recipients. Instead, a review would be conducted by the Administration to see how effective the various employment assistance programmes were in helping the able-bodied unemployed CSSA

recipients to move towards self-reliance and what improvements might be made.

19. Mr Albert CHAN expressed concern that evaluation of the effectiveness of the EEP did not include finding out whether there was a net economic gain for EEP participants to stay on their part-time employment, which, in his view, was an important incentive to work.

20. Professor LEUNG Kwok responded that as the objective of EEP was to help single parents build better lives for themselves and their children and reduce their risk of social exclusion, the evaluation was therefore focussed on whether such an objective had been achieved. Nevertheless, he surmised that the reason why some participants still remained in their part-time employment was because there was a net economic gain for doing so. Professor LEUNG however pointed out that many benefits of the EEP, such as less social exclusion and more positive perception of parent-child relationship by children, could not be quantified.

21. Mr Albert CHAN said that the objective of the EEP appeared to be misplaced, having regard to the fact that EEP participants were CSSA recipients and as such the objective should be to help them become gainfully employed. Mr CHAN queried whether the implementation of the EEP was a ploy to save money. Mr CHAN urged that future evaluation reports on employment programme to assist CSSA recipients should include whether the participants had net economic gain and the effect of such on their determination to find employment.

22. DSW responded that it would be best if EEP participants could leave the CSSA net, but this would depend to a large extent on the overall economic situation. DSW however pointed out that the main objective of the EEP was not to help single parent CSSA recipients with young children to leave the safety net. Rather, it was to better prepare them to find jobs when the economic situation improved and to help them to overcome problems and stress arising from single parenthood, restore resilience, build up a social network of support and mutual help, and improve their self-esteem. Unlike the Active Employment Assistance (AEA) Programme for other able-bodied CSSA recipients, single parents' participation in EEP was voluntary. DSW further said that the reason why the Administration had decided to continue with the experimental Programme was because of the generally positive effects of the Programme on the participants, albeit the effects were largely non-quantifiable. Moreover, the resources required were not significant.

23. ADSW supplemented that the findings of the evaluation report of EEP were similar to the phenomenon found overseas whereby the self-esteem of the single parents would improve if they gained part-time or full-time employment and the

psychological profile of their children would also improve.

24. Mr WONG Sing-chi said that there was room for improvement in EEP, having regard to the fact that only 70% of the respondents to a study to gauge the perception of EEP participants supported the EEP. The remaining some 23% and 7% of the respondents were neutral and dissatisfied with EEP respectively.

25. Professor LEUNG Kwok responded that notwithstanding the perception of EEP by EEP participants, the Programme had nonetheless brought about some positive changes to the participants generally which in the end still made the Programme worthwhile. Professor LEUNG further said that he did not know why some respondents reacted neutral to EEP. He surmised that they might view the Programme as something to try but did not have high expectation that it made their lives better.

26. ADSW supplemented that the Administration would undertake a series of measures to strengthen the EEP on areas identified by the evaluation report, details of which were set out in paragraphs 22 and 23 of Appendix I of the Administration's paper. ADSW further said that it was not surprising that some participants held less positive attitudes towards some aspects of the Programme as time went by. This might be due to a higher familiarity with EEP and hence a higher sensitivity towards its limitations.

27. Mr LEUNG Yiu-chung pointed out that the focus of the EEP to help improve the psychological well-being of single parent CSSA recipients with a view that they could move towards self-reliance was misplaced, as single parents were generally motivated to work. This point was reaffirmed by the Administration in paragraph 15 of its paper. Mr LEUNG further pointed out that the reason why the majority of single parents did not work was attributed more to the weak economy and the lack of support services provided by the Administration to release them for working, training or employment seeking than to their low self-esteem. For instance, many single parents were willing to work, albeit on a part-time basis, if they could choose a conveniently located service centre under the After School Care Program (ASCP) and/or at their desired time periods. In the light of this, the Administration should look at how best to provide better support to single parents to release them for working, training or employment seeking, instead of dwelling on improving their psychological well-being which would give a wrong message that this group of people were lazy people.

28. Professor LEUNG Kwok clarified that apart from gauging the psychological changes of EEP participants over time, the longitudinal study on the effectiveness of EEP (the Study) also gauged their attitudinal and behavioural changes. Indeed, a greater part of the questionnaires was designed to find out the

major obstacles to work of the single parents such as those mentioned by Mr LEUNG in paragraph 27 above. Professor LEUNG further said that the Study also sought to find out the profile of single parent families so that more focussed, and hence more effective, assistance could be provided to them.

29. ADSW supplemented that the main objective of the EEP was not to make single parent CSSA recipients with young children find employment, as the programme was voluntary. Considering their child care need, single parents with youngest child of age below 15 were not required to participate in the AEA Programme as were other able-bodied CSSA recipients under the Support for Self-reliance Scheme. As such, there was no question that the EEP would convey a message to the public that single parent CSSA recipients with young children and who did not work were lazy people. ADSW pointed out that many local and overseas studies had revealed that the longer a person was jobless, the harder it would be for him/her to re-enter the labour market and move towards self-reliance. Reference had therefore been taken from the AEA Programme and overseas models to come up with the EEP to help single parents restore resilience and build up a social network of mutual help and support. As mentioned by DSW earlier at the meeting, a review on the entire issue of single parents on CSSA would be conducted by the Administration to understand the present situation better and to make recommendations for any suitable improvement measures to help single parents achieved self-reliance.

30. Dr LAW Chi-kwong asked the following questions -

- (a) What was the effect of EEP on the children of EEP participants;
- (b) How was the programme effect of the EEP, which was defined as the existence of the differential changes between the EEP and control groups, calculated; and
- (c) Whether the EEP participants had indicated a desire to pursue formal basic education.

31. Professor LEUNG Kwok responded that no negative effect on parent-child relationship if the single parents gained employment was revealed in the Study. Regarding Dr LAW's second question, Professor LEUNG said that respondents in the experimental and control groups were interviewed four or three times respectively in a one-year evaluation period with a four-month and six-month interval, starting from April 2002. One of the advantages of the design was that the changes gauged were more reliable because the same group of people were involved in each measurement. More importantly, it was possible to compare participants with similar backgrounds who differed only from the point of view of

Action

participation in the programme. Such a design could therefore control for the natural changes amongst all the participants in the evaluation over time. Professor LEUNG further said that to provide a clear presentation of the results from the analyses of the feedback from the EEP and control groups, transformed scores were presented to illustrate the programme effects. To obtain the transformed scores for a participant, the means of the first wave (W1) scores of the group to which a participant belonged were subtracted from his/her corresponding W2, W3 and W4 scores. With this transformation, the mean for all scales for the two groups were set at zero in W1, and any significant change in the scores across the four waves suggested a programme effect. In other words, EEP was effective only if it had produced a positive change as compared to the control group between W2 and W4 in relation to W1. Unless stated otherwise, results of the Study presented in the Administration's paper were transformed scores for W4. As to Dr LAW's last question, Professor LEUNG said that the Study revealed that participants did not have a strong intention to pursue formal schooling to raise their educational level. The Study however revealed that single mothers had more positive attitudes with regard to investing in learning than single fathers.

32. Mr LEE Cheuk-yan requested the Administration to provide members with copies of the full evaluation report of the EEP. Referring to paragraph 15(e) of the Administration's paper, Mr LEE said that it was unclear whether participants who had monthly earnings just below \$1,430 were entitled to disregarded earnings under the CSSA Scheme.

33. Chief Social Security Officer (Social Security) 4 responded that participants who had monthly earnings just below \$1,430 were also entitled to disregarded earnings under the CSSA Scheme. The reason why participants were demarcated at a monthly income of below \$1,430 and \$1,430 or above was because a CSSA recipient was considered gainfully employed if he/she worked no less than 120 hours per month and had a monthly income of \$1,430 or above. Although a CSSA recipient would normally be transferred to the low-income category if he/she had a monthly income of \$1,430 or above, this would not be applied to single parent CSSA recipients. DSW supplemented that disregarded earnings also applied to low-income and unemployed CSSA recipients.

34. The Chairman noted from paragraph 15(c) of the Administration's paper that more than half of the single parents who participated in the EEP, (1 564 or 57.7%) were motivated to find employment, though the majority of them still preferred part-time employment. In the light of this, the Chairman enquired about the reason(s) for the majority of single parents preferring part-time employment. The Chairman further enquired about the reason(s) for the low usage of ASCP service. According to paragraph 15(d) of the Administration's paper, there had been only 326 ASCP full-fee waiving coupons issued to 74 single

parent families (4.7% of the cumulative job-ready participants) to release them for working, training or employment seeking.

35. Professor LEUNG Kwok responded that the Study showed that the reasons why single parents generally preferred part-time employment were because of the need to take care of their children, difficulty to secure full-time employment and the costs involved for travelling to work was too high. In essence, they much preferred a job which allowed them the flexibility to take care of their children. Professor LEUNG further said that he surmised that the main reason why so few single parents used the ASCP service was because those who worked mostly worked part-time when their children were at school.

36. ADSW said that the Administration would examine in detail why the rate of using the ASCP service by single parents was on the low side. DSW supplemented that one possible way to make the ASCP service more accessible and convenient to the parents was to adopt the 'money follow the children' concept.

37. In summing up, the Chairman said that members were supportive of the EEP and hoped that the Administration would provide more support, such as child care and providing travelling subsidy for work, to single parents so as to better help them to become self-supporting.

38. DSW reiterated that a review on the entire issue of single parents on CSSA would be conducted to understand the present situation better and to make recommendations for any suitable improvement measures to help single parents achieve self-reliance. The Administration would revert to members on the outcome of the review in due course.

V. Efficiency savings
(LC Paper No. CB(2)1181/03-04(05))

39. Permanent Secretary for Health, Welfare and Food (PSHWF) briefed members on the arrangements to achieve the target of efficiency savings in relation to the welfare sector, details of which were given in the above Administration's paper. DSW supplemented that social security benefits would not be subject to the deduction of target efficiency savings in the period from 2003-04 to 2008-09. To prepare the non-governmental organisation (NGO) sector for the implementation of efficiency savings for the coming five years and to understand their concerns, the SWD had conducted sharing sessions for the NGO sector and would continue to maintain close dialogue with the sector in the process, and was ready to discuss with individual NGOs who genuinely could not

cope with the 2.5% savings in 2004-05. SWD had assured all NGOs concerned that if they had any real difficulty in meeting the savings target, the Department would strive to assist. Hitherto, no agencies had expressed major difficulty in achieving the targeted 2.5% savings in 2004-05. SWD would discuss with the welfare sector with respect to the saving targets beyond 2004-05 and issues related to the Tide-over Grant (TOG) in 2006-07 once matters relating to the 2004-05 Budget had settled.

40. Mr LEE Cheuk-yan noted from the joint submission from HKCSS, HKSWA and HKSWGU to the Panel that the accumulated implemented/planned deduction from 2000-03 to 2006-07 was already 23.8%. Mr LEE pointed out that in order to achieve the efficiency savings in the past, many agencies had to cut the salaries of their staff and/or let go of their experienced staff and to replace them with new staff who were invariably less experienced. To further deduct the subvention allocation of NGOs would inevitably undermine the quality and level of services provided by them, which in turn would destabilise the community. Social problems and the number of the needy had been on the rise during the past several years due to the weak economy. In the light of this, Mr LEE urged the Administration to cease to implement efficiency savings in the welfare sector for the coming five years.

41. DSW reiterated that SWD would continue to maintain close dialogue with the NGO sector in the process, and was ready to discuss with individual NGOs who genuinely could not cope with the 2.5% savings in 2004-05. SWD would discuss with the welfare sector on the service adjustments which needed to be made in order to meet the saving targets beyond 2004-05 and issues related to the expiry of the TOG. DSW further said that the expiry of the TOG was not unexpected as NGOs were aware of this when they joined the Lump Sum Grant subvention system.

42. Mr LEE Cheuk-yan remarked that there was no point in discussing with the welfare sector if the sector had no say over the implementation of efficiency savings. In the light of the grave concern expressed by the sector, Mr LEE asked whether the Health, Welfare and Food Bureau (HWFB) would convey such to the Financial Secretary (FS) to convince him not to implement efficiency savings in the welfare sector for the next five years. If not, to at least reduce the percentage of efficiency savings.

43. PSHWF responded that HWFB had and would continue to convey the concerns expressed by members, NGOs, service users and other stakeholders over the deduction of subvention allocation to NGOs. PSHWF however pointed out that, in the face of an unprecedented fiscal deficit, it was incumbent upon every sector to make some contributions towards helping the Administration to restore a

balanced budget in 2008-09. The total deduction of the operating expenditure of HWFB should be between 10% and 11%. HWFB would strive to make a lower deduction of efficiency savings to the welfare sector as far as possible within its operating expenditure. There was however little room to do so, as other policy areas under the Bureau, such as health care, food safety and environmental hygiene, were also of significance to the well-being of the people of Hong Kong.

44. Dr LAW Chi-kwong urged the Administration to make a lower deduction of efficiency savings from 2005-06 to 2008-09 by, say, continuing to fund the TOG beyond 2006-07, having regard to the fact that the resources of NGOs were already stretched to the limit to maintain the existing services. This situation was aggravated by the decrease in funding support from the Hong Kong Jockey Club and Community Chest.

45. Ms LI Fung-ying queried whether the existing welfare services could be maintained if the efficiency savings in the welfare sector for the next five years were implemented.

46. Dr YEUNG Sum expressed strong opposition to further cut the subvention allocation of the welfare sector. In view of the recovery of the economy, Dr YEUNG said that FS should review the target of efficiency savings in relation to the welfare sector.

47. Mr Albert CHAN reprimanded the Administration for failing to pay due regard to the concerns raised by the welfare sector in complying with the target of efficiency savings. Mr CHAN further said that the Administration should not reduce funding to the welfare sector when the many social problems brought about by poverty had been on the increase during the past several years due to the poor economic situation. Moreover, it would take a longer time for poor people to benefit from a revived economy, if any. Mr CHAN urged that HWFB would not, at the expense of NGOs, reduce the impact of efficiency savings on itself and its constituent departments.

48. Mr Frederick FUNG expressed concern as to whether social workers could continue to cope with the growing workload, if funding to the NGOs was further reduced. According to the joint submission from HKCSS, HKSWA and HKSWGU, the risk of social workers becoming mentally disturbed was three times that of other people and the number of injuries at work cases amongst NGO staff had risen 109% in the past five years.

49. Ms Cyd HO said that it was unfair that the decision to implement sales tax could be withheld after the economy had fully recovered, whilst funding to welfare sector had to be further reduced to help to balance fiscal deficit. Ms HO further

said that although the Administration had repeatedly said that welfare services were not affected by efficiency savings, this was simply not the case as told by some service users.

50. Mr WONG Sing-chi said that the Democratic Party opposed further reduction of funding to NGOs, for the reasons already given by other members at the meeting. Mr WONG urged HWFB to take up with FS on withholding the plan to require NGOs to achieve 10% saving by 2008-09.

51. The Chairman summarised the views expressed by members, and added that the costs to be borne by the community would far exceed the money saved from the efficiency savings exercise as early and timely intervention of social problems was less expensive and more effective than remedy.

52. PSHWF responded that she would convey members' views/concern to the government at the centre for consideration. PSHWF assured members that there was no question of HWFB reducing the impact of efficiency savings on itself and its constituent departments at the expense of NGOs. PSHWF pointed out that for 2004-05, the target of efficiency savings for HWFB, SWD and NGOs was 4%, 3% and 2.5% respectively.

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53. On closing, Mr Albert CHAN requested the Administration to provide a paper setting out the target of efficiency savings achieved/to be achieved by HWFB, SWD and NGOs in the period from 2003-04 to 2008-09. The Chairman also requested the Administration to provide a written response to the joint submission from HKCSS, HKSWA and HKSWGU and the views/concerns expressed by members. PSHWF agreed.

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

Council Business Division 2
Legislative Council Secretariat
5 March 2004