

For information

**Legislative Council Subcommittee
to Study the Subject of Combating Poverty**

**Work Progress of the Commission on Poverty
and Staffing Proposal of the Commission Secretariat**

Purpose

This paper provides an update on the work of the Commission on Poverty (the Commission) and informs Members of a staffing proposal to create two supernumerary directorate posts from 1 September 2005 to 31 August 2007 in the recently established Secretariat to the Commission in the Financial Secretary's Office.

Background

2. Members were briefed at the subcommittee meeting on 23 February 2005 on the establishment of the Commission and the discussions held at its first meeting on 18 February 2005. The following provides a summary of the discussions held at the second meeting of the Commission on 11 April 2005. Relevant papers and documents of the Commission is available at the Commission's website (<http://www.cop.gov.hk/>).

Tin Shui Wai District Visit (CoP Paper 9/2005)

3. The Commission agreed at its first meeting, among other things, to adopt a district-based approach to studying and identifying the needs of the poor. As a first step, the Commission conducted a visit to Tin Shui Wai (TSW) on 7 March 2005. Commission members met with participants from the Intensive Employment Assistance Projects (IEAPs) organised by the YWCA Tin Shui Wai Integrated Social Service Centre and some other low-income families. They also exchanged views with district representatives including District Councillors, Area Committees members, community organizations, social workers and school headmasters from Yuen Long on the special needs and challenges faced by local residents.

4. The Commission discussed the various follow-up actions at its second meeting on 11 April 2005. Commission members agreed that the TSW visit was useful in enhancing understanding of poverty and in facilitating deliberation on measures to tackle it, including how a district-based approach might be taken forward. The meeting welcomed the efforts of the Yuen Long district poverty alleviation task force, while noting that different districts might have different models in enhancing district coordination and in tackling local issues. The meeting agreed that further visits to Kwun Tong (29 April) and Sham Shui Po (5 May) be conducted.

Indicators of Poverty (CoP Paper 10/2005)

5. The Commission agreed that it was useful to adopt a multi-dimensional approach to defining poverty, and in developing indicators reflecting the poverty situation of three key social groups (viz. children/youth, working people and the elderly) and the community at large in a generally affluent society like Hong Kong. Commission members noted that the paper represented the first step in putting together a set of indicators, and appreciated that the compilation of relevant indicators was necessarily developmental and involved continuous refinement. The Commission agreed that the indicators could be used in the future to (a) track and monitor poverty situation in Hong Kong over time; (b) facilitate broad strategy planning. In monitoring the poverty situation in Hong Kong, the indicators could be supplemented, where appropriate, by more detailed analysis and other district-specific information and statistics. Meanwhile, work on poverty alleviation and prevention would commence in parallel with work on the compilation and refinement of the indicators.

Work Programme of the Commission (CoP Paper 11/2005)

Intergenerational Poverty (CoP Paper 12/2005)

6. The Commission discussed the framework behind the draft work programme of the Commission, and agreed to focus the Commission's work on four key areas, namely children/youth (preventing and tackling intergenerational poverty), working people (covering employment and

welfare-to-work initiatives), the elderly (provision and delivery of various services) and the community (district-based approach and community engagement).

7. During the next six to nine months, the Commission would first focus on children/youth and employment. Members agreed that a task force on children should be formed under the Commission given the multifaceted nature of the issue which called for inter-disciplinary and inter-sectoral cooperation. The Commission would continue to conduct district visits and encourage community engagement. The experience in implementing the district-based approach in alleviating poverty would be reviewed later in the year.

8. Besides the short-term work programme above, Members also agreed that the Commission should not ignore longer-term review of the architecture of key services/support programmes, and an examination of the delivery of various services to see if greater streamlining, rationalisation and efficiency was possible. While agreeing to refrain from creating new implementation agencies, Members considered there was scope to review whether there was duplication of resources of different bureaux delivering similar services.

9. Members also expressed their appreciation of the keen interest of the private sector in supporting the cause of poverty alleviation. Members agreed to continue to explore ways to encourage private sector participation and to build sustainable partnerships with the private sector at district level.

Staffing Proposal

10. There is a need to provide directorate support to the work of the Commission. The Administration therefore proposes to create one supernumerary post of Administrative Officer Staff Grade B1 (AOSGB1) (D4) and one supernumerary post of Administrative Officer Staff Grade C (AOSGC) (D2) for two years, from 1 September 2005 to 31 August 2007, in the recently established Secretariat to the Commission (the Secretariat) in the Financial Secretary's Office. The detailed staffing proposal is set out in the draft ESC paper attached at **Annex**.

Financial Implications

11. The additional full annual average staff cost required for the creation of the proposed supernumerary AOSGB1 (D4) and AOSGC (D2) posts is \$4,578,000. The necessary provision for the staffing of the Secretariat has been included in the 2005-06 Estimates and will be provided under the draft Estimates of the subsequent years concerned.

Way Forward

12. Subject to the views of Members, we shall submit the staffing proposal to the Establishment Sub-committee of the Finance Committee for consideration at its meeting on 18 May 2005.

Secretariat to the Commission on Poverty
Financial Secretary's Office
April 2005

For discussion
on 18 May 2005

DRAFT

Annex
EC(2004-05)xx

ITEM FOR ESTABLISHMENT SUBCOMMITTEE OF FINANCE COMMITTEE

HEAD 142 – GOVERNMENT SECRETARIAT : OFFICES OF THE CHIEF SECRETARY FOR ADMINISTRATION AND THE FINANCIAL SECRETARY

Members are invited to recommend to Finance Committee the creation of the following supernumerary posts in the Financial Secretary's Office for a period of two years, from 1 September 2005 to 31 August 2007 -

1 Administrative Officer Staff Grade B1
(D4) (\$145,150 - \$149,600)

1 Administrative Officer Staff Grade C
(D2) (\$110,000 - \$116,800)

PROBLEM

We need to provide directorate support to the work of the Commission on Poverty (the Commission).

PROPOSAL

2. The Director of Administration proposes to create one supernumerary post of Administrative Officer Staff Grade B1 (AOSGB1) (D4) and one supernumerary post of Administrative Officer Staff Grade C (AOSGC) (D2) for two years, from 1 September 2005 to 31 August 2007, in the recently established Secretariat to the Commission (the Secretariat) in the Financial Secretary's Office (FSO).

JUSTIFICATION

Policy Commitment

3. Helping the poor is an important theme in the Policy Address delivered by the Chief Executive on 12 January 2005. As poverty alleviation involves many policy areas, the Chief Executive announced the decision to establish a Commission to alleviate poverty to be chaired by the Financial Secretary (FS).

4. The membership of the Commission was announced on 27 January 2005. Besides the official members including the FS, Head of the Central Policy Unit and four Principal Officials responsible for health and welfare, home affairs, employment and education, the membership of the Commission also comprises Legislative Councillors, business people, community leaders, representatives from non-governmental organisations (NGOs), and academics. The Administration attaches great importance to the work of the Commission, and considers it necessary to set up a dedicated Secretariat in order to provide the Commission with the necessary support.

5. The Legislative Council (the Council) is similarly very concerned about the subject of poverty alleviation. The House Committee decided on 12 November 2004 to set up a subcommittee to study the subject of combating poverty. The Council also passed a motion on 2 March 2005 setting out its expectations of the work of the Commission.

Terms of Reference and Work Programme of the Commission

6. The terms of reference (ToR) of the Commission is -
- (a) to study and identify the needs of the poor;
 - (b) to make policy recommendations to prevent and alleviate poverty and promote self-reliance; and
 - (c) to encourage community engagement, delineate responsibility between the government, social welfare sector and community organisations, foster public-private partnerships and mobilise social capital in alleviating poverty.

7. At its second meeting held on 11 April 2005, the Commission agreed to focus its work on four key areas, namely children/youth (preventing and tackling intergenerational poverty), working people (covering employment and welfare-to-work initiatives), the elderly (provision and delivery of various services) and the community (district-based approach and community engagement). During the coming six to nine months, the Commission would first focus on children/youth and employment, and a task force on children would be set up to follow up on the issues concerning children/youth. The Commission would continue to conduct district visits and encourage community engagement. The experience in implementing the district-based approach in alleviating poverty would be reviewed later in the year.

8. Besides the short-term work programme outlined above, Members agreed that the Commission should also consider the longer term review of the architecture of key services/support programmes, and an examination of the delivery of various services to see if greater streamlining, rationalisation and efficiency is possible¹.

Need for an Administrative Officer Staff Grade B1 (D4) post

9. We propose to create a supernumerary post of Administrative Officer Staff Grade B1 (AOSGB1) (D4) to serve as the Secretary to the Commission and to lead the Secretariat taking into account the ToR and work programme of the Commission and the duties required of the Secretariat.

10. The ToR of the Commission envisages a broad ambit. Most of the elements of the work programme (paragraphs 6 -8 above) involve a multifaceted and inter-disciplinary approach to integrating the resources and delivery capacity of the Government, private sector, and NGOs as well as the community at large in a purposeful manner. Given the breadth, depth and complexity of the issues involved, the Commission merits the support of an experienced directorate officer to head its Secretariat. We therefore propose to rank the post equivalent to that of a Senior Deputy Secretary in policy bureaux to ensure that the post-holder

¹ Please refer to CoP Paper 11/2005 setting out the background and framework of the work programme of the Commission (available at <http://www.cop.gov.hk/>).

is at a sufficiently senior level within the Government to assist the Commission to conduct its work according to its ToR and to liaise with relevant bureaux, departments, the private sector, NGOs and various community groups. The schedule of duties of the Commission Secretary is set out at **Enclosure A**.

Need for an Administrative Officer Staff Grade C (D2) post

11. We propose to create a supernumerary post of AOSGC (D2) as Assistant Secretary to the Commission to provide adequate support to the Commission and its Secretary.

12. The Assistant Secretary to the Commission will assist the Secretary to the Commission in preparing policy papers, liaising with relevant bureaux/departments, and in preparing reports on the work of the Commission. The post holder will also assist the Secretary to the Commission in reviewing the delivery of various services and support programmes as well as in identifying possible scope for greater streamlining, rationalisation and efficiency. Moreover, the post holder will oversee the Commission's work in community engagement and fostering public-private partnerships. The schedule of duties of the Assistant Secretary to the Commission is set out at **Enclosure B**.

Term of Office

13. The current term of the Commission will end on 31 January 2007. A review would be conducted nearer the time on how the work on poverty alleviation should further proceed. The proposed end date of the two supernumerary directorate posts (31 August 2007) will allow some time (seven months) to facilitate the transition to the long term way forward for poverty alleviation as well as following up any outstanding work of the Commission. Should such work be completed ahead of 31 August 2007, the posts will lapse earlier.

14. To enable the Secretariat to provide early support to the work of the Commission, we created under delegated authority two supernumerary posts at the level of AOSGB1 and AOSGC respectively for six months with effect from 1 March 2005. These two

supernumerary posts will lapse on 1 September 2005.

Non-directorate Establishment of the Secretariat

15. The two directorate officers will be supported by a team of seven non-directorate posts comprising one Senior Administrative Officer, one Senior Executive Officer, one Senior Personal Secretary, one Personal Secretary I, one Personal Secretary II and two Clerical Officer posts, at a notional annual mid-point salary cost of \$2,975,160 and full annual average staff cost of \$4,587,000. We have included sufficient NAMS in the 2005-06 Estimates for the creation of these non-directorate posts to be created by the Administration in accordance with the established mechanism.

16. The proposed organisation chart of the Secretariat is at **Enclosure C**.

FINANCIAL IMPLICATIONS

17. The proposed creation of the two supernumerary directorate posts will bring about the following additional staff costs -

Rank	Notional Annual Salary Cost at Mid-point (\$)	Full Annual Average Staff Cost (\$)	No. of Posts
AOSGB1 (D4)	1,795,200	2,520,000	1
AOSGC (D2)	<u>1,360,800</u>	<u>2,058,000</u>	<u>1</u>
Total	<u>3,156,000</u>	<u>4,578,000</u>	<u>2</u>

18. The necessary provision for the staffing of the Secretariat in 2005-06 has been included in the 2005-06 Estimates and will be provided under the draft Estimates of the subsequent years concerned.

ESTABLISHMENT CHANGES

19. The establishment changes of Head 142 Government Secretariat: Offices of the Chief Secretary for Administration and the Financial Secretary for the last two years are as follows -

Establishment (Note)	Number of Posts		
	Existing (as at 1 April 2005)	As at 1 April 2004	As at 1 April 2003
A	32 + (3 [#])	26 + (2)	26 + (3)
B	93	80	81
C	360	347	366
Total	485 + (3)*	453 + (2)	473 + (3)

Note :

A – ranks in the directorate pay scale or equivalent

B – non-directorate ranks the maximum pay point of which is above MPS Point 33 or equivalent

C – non-directorate ranks the maximum pay point of which is at or below MPS Point 33 or equivalent

() - number of supernumerary directorate posts

Including the two supernumerary posts created under our delegated authority mentioned in paragraph 14

* The increase over 1 April 2004 is mainly due to the setting up of the Economic Analysis and Business Facilitation Unit under the FSO with effect 1 June 2004 pursuant to the transfer of responsibilities from CITB and FSTB.

CONSULTATION WITH LEGISLATIVE COUNCIL PANEL(S)

[20. The proposal was discussed at the meeting of the Subcommittee to Study the Subject of Combating Poverty on 28.4.2005. Members ...]

CIVIL SERVICE BUREAU COMMENTS

21. To enable the provision of sufficient support to the Commission, the Civil Service Bureau supports the proposed creation of the two supernumerary directorate posts, namely one AOSGB1 and one AOSGC.

ADVICE OF THE STANDING COMMITTEE ON DIRECTORATE SALARIES AND CONDITIONS OF SERVICE

22. As the two directorate posts are proposed on a supernumerary basis, their creation, if approved, will be reported to the Standing Committee on Directorate Salaries and Conditions of Service in accordance with the agreed procedure.

Offices of the Chief Secretary for Administration and the Financial Secretary
April 2005

Schedule of Duties of Secretary to the Commission on Poverty

Administrative Officer Staff Grade B1 (D4)

The duty of the Secretary to the Commission on Poverty is to support the Commission in implementing its work programme, in particular -

- (a) to assist the Commission in its study of the needs of the poor and formulation of policy recommendations to prevent and alleviate poverty and promote self-reliance as well as to follow up on the recommendations of the Commission;
- (b) to liaise with bureaux/departments on policies and measures that address the needs of the poor with a view to achieving greater streamlining, rationalisation and efficiency;
- (c) to assist the Commission in formulating strategies in community engagement and fostering public-private partnerships;
- (d) to maintain liaison with the Legislative Council and its relevant panels and subcommittees, relevant non-governmental organisations and the public;
- (e) to maintain liaison with international counterparts and represent the Commission at relevant international fora; and
- (f) to conduct a review on how the Commission should function after 31 January 2007, taking into account the work of other relevant advisory committees and agencies.

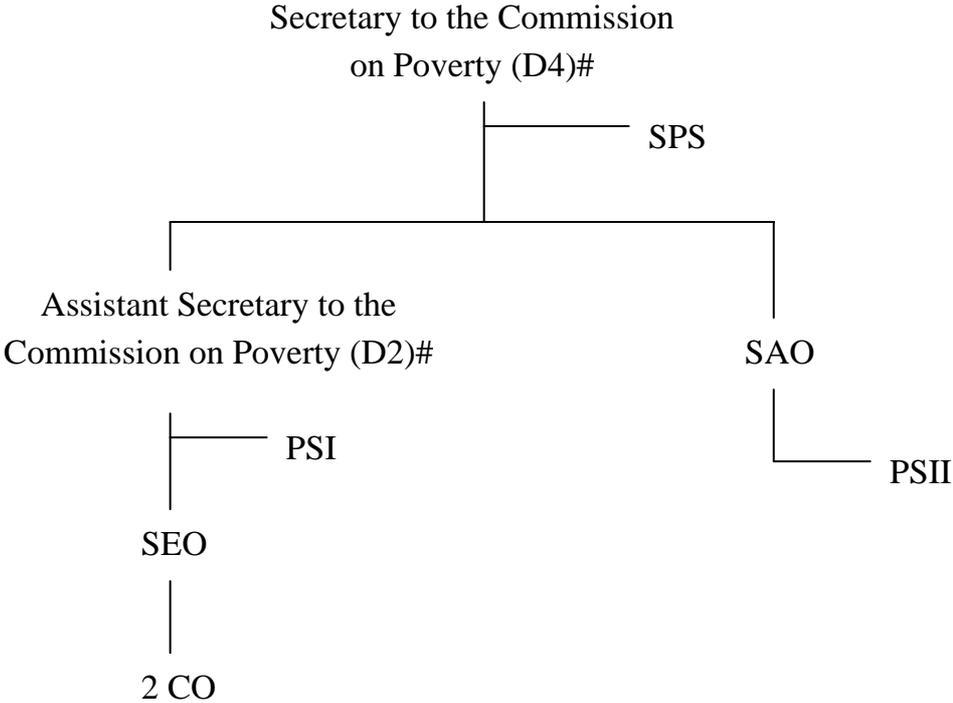
**Schedule of Duties of Assistant Secretary
to the Commission on Poverty**

Administrative Officer Staff Grade C (D2)

The duty of the Assistant Secretary to the Commission on Poverty is to assist the Secretary to the Commission, in particular -

- (a) to co-ordinate and prepare policy papers for the Commission, follow-up on the advice and recommendations of the Commission, and to prepare reports on the work of the Commission;
- (b) to review the delivery of various services and support relevant to poverty alleviation/prevention, and to identify scope for greater streamlining, rationalisation and efficiency;
- (c) to assist the Commission in its community engagement work in liaison with local district offices, district councils, district social welfare offices etc.;
- (d) to assist the Commission in its work to foster public-private partnerships in liaison with the business community and other relevant parties;
- (e) to monitor research, surveys and projects initiated by the Commission, and keep in view relevant researches and other development in poverty alleviation, both locally and internationally; and
- (f) to contribute and participate in relevant discussions in international fora.

**Proposed Organisation Chart
of the Secretariat to the Commission on Poverty**



Posts proposed for creation

Commission on Poverty

Indicators of Poverty

Background and Purpose

At the first meeting of the Commission on Poverty held on 18 February 2005, there was a general consensus that, given the generally affluent Hong Kong economy and the broad coverage of social services and support available, the concept of poverty should focus on the needs of some disadvantaged groups. As a corollary, the consensus of the Commission is that framing the concept of poverty and hence the priority of the Commission's work by reference to a single figure based on income is inappropriate. Rather, a multiplicity of indicators should be compiled to reflect the overall situation in Hong Kong and facilitate the identification of disadvantageous groups that deserve priority attention.

2. This multi-dimensional approach to understanding poverty and helping the needy is in line with the development in recent years in a number of countries whose state of economic development is similar to that of Hong Kong. The focus is more on capacity building and self-reliance and, for certain vulnerable groups (such as the elderly and children in single-parent families), on ensuring access to opportunities and other necessary services and support (e.g. education, housing and medical services).

3. Conceptually, therefore, it is important to note that "poverty" is but a shorthand for the more needy rather than what the plain dictionary meaning suggests. In the context of Hong Kong generally, and of the Commission's work specifically, the concept is developmental and how it is deliberated reflects the value choices of not only the Hong Kong community but of the Commission members collectively.

Considerations affecting the choice of indicators

4. Many possible factors can contribute to the predicament of the needy groups. The same factor may affect different individuals very differently. Indicators can be suggestive of both the symptoms and the causes. In fact, symptoms and causes can be interactive and, at times, defy clear distinction. Care must be taken in drawing conclusions from the indicators.

5. In selecting the indicators, we note that at its first meeting, the Commission also agreed on the need to focus on preventive work. Indicators relating to children and youth are in this connection particularly relevant, and the focus is on them having access to opportunities so that their current socio-economic background would not jeopardise their future upward economic and social mobility.

6. Taking into account the Commission's discussions at its first meeting on 18 February, we propose presenting the indicators under the following four social groups:

- Children/youths;
- Working people/adults;
- Older people; and
- Community.

The first three groups are age-specific, while the last one on community poverty is expected to shed light on people's well-being either on a district-by-district basis or in aggregate for the community as a whole.

7. In some overseas jurisdictions, poverty indicators cover specific groups such as gender or ethnicity. But the generally harmonious social atmosphere of Hong Kong is very different from the contexts that other countries are grappling with (e.g. blacks in inner cities or a very sizeable minority of Mexicans in the US). On the basis of the proposed framework, the needs of these specific groups would be covered by the age-specific indicators and by the district-based community indicators along with those of the others. Furthermore, details of the needs of specific groups (e.g. women, ethnic minorities or new immigrants) are more appropriately analysed through dedicated, periodic studies.

8. Technically, the indicators must be measurable in a quantitative manner and statistically robust. They must also be available on a regular basis and up-to-date to facilitate monitoring over time. The set of indicators to be developed is expected to come primarily from the existing data base of the Census and Statistics Department (C&SD) and the administrative records of relevant departments. Where necessary and feasible, we shall collate statistics considered to be important but not currently available.

9. Indicators are useful only insofar as they are meaningful in the context of Hong Kong, regularly collected and updated. The burden of collection on both the sources (i.e., the general public/specific groups) and the collecting agencies must not be overly onerous. The indicators should be purposefully selected and their number should be kept within a manageable limit. After all, their utility hinges on the quality of data and the thoughts behind the selection rather than their mere numbers.

Proposed indicators

10. There are six broad categories of indicators, viz. earnings/income support, education/training, employment, health, living conditions and community/family support. They are of varying degrees of importance to the four broad social groups listed in paragraph 6 above.

	Children /youth	Working people/ adults	Older people	Community
Earnings/income support	X	X	X	X
Education/training	X			
Employment	X	X		X
Health	X	X	X	X
Living conditions	X		X	X
Community/family support	X		X	

11. Of all possible indicators, we consider “earnings/income support” the most relevant. A reasonable level of income is essential for an individual to lead a decent standard of living. In the context of Hong Kong, recipients under the Comprehensive Social Security Assistance Scheme (CSSA) are commonly regarded as poor people needing and are provided with financial assistance, as the CSSA is a means-tested mechanism. But there are also people who are non-CSSA recipients whose household income falls below the CSSA assistance level, or there are some household members not eligible for CSSA assistance in a CSSA-recipient household. Therefore, we propose to use the average CSSA payment analysed by number of eligible members as the benchmark for delineating whether an individual is living in poverty. This reflects the fact that the level of CSSA payment, including both the standard rates and special grants, has been set based upon detailed assessment on the basic needs of different types of people.

12. In addition to CSSA, there are different types of means-tested financial assistance schemes administered by the Government for helping those in need, and basically CSSA recipients are not entitled to such assistance to avoid double benefit. The idea is that no one would be deprived of basic needs due to lack of financial means. It follows that a tracking of the number of recipients under the relevant assistance schemes for groups of similar income levels as the CSSA recipients would also be indicative of the poverty situation.

13. Health is another set of indicators to be developed which cuts across all the four social groups. This is an area where useful indicators are desired, in view of the fundamental importance of health in contributing to study, work and living in general, with consequential implications for present and future income. Yet this is also an area where useful indicators are most difficult to come by, for two main reasons. First, as distinct from the developing world, it is difficult to identify any sickness or health deficiency in Hong Kong that is widespread among the poor. Second, it has been the Government’s policy that our healthcare systems are of quality, equitable, efficient, cost effective and accessible to the public. Apart from the heavily subsidized and high standard of public medical and health services, there is a medical fee waiver mechanism of public hospitals and clinics to cater for the poor needing help. So at best the number of recipients under the fee waiver mechanism may serve as a poverty indicator in relation to health.

14. On the basis of this framework and the considerations discussed in the last section about choice of indicators, indicators encompassing the life-cycle plus community concept in monitoring poverty will be discussed in the following sub-sections.

15. In order to give an idea on the magnitude of poverty in both absolute and relative terms, both the number and percentage shares of the indicators in the respective totals would be compiled where appropriate. Members may wish to note that we will exclude foreign domestic helpers from all the data compilation, as there are already special conditions governing their employment in Hong Kong which compare favourably with those in other economies.

Children/youth (aged 0-14/15-19)

16. For children and young people, who are in the growing up and learning process, indicators on child care and education are particularly important. The indicators suggested in this aspect include educational attainment and school drop outs. It should be noted that these indicators may not have a direct relationship with poverty, as there are many factors other than poverty that could lead to sub-standard educational attainment or school drop-outs. Yet these indicators are related to the notion of prevention or risk, as children and youth who drop out from school and/or who have low educational attainment are susceptible to become “non-engaged” in the future and thus, falling into poverty. In addition, in social sciences and education research, socio-economic status is commonly accepted as a strong, though not decisive, predictor of learning problems.

17. As to the income-related indicators, the concern is whether the income as generated by parents would enable the children to grow up without deprivation in regard to health, education, housing, and participation in social activities. The other indicators are included to show the well-being of children and youth in general, as follows :

- (1) Children aged 0-5 and 6-14 living in workless households
- (2) Children/youth aged 0-5, 6-14 and 15-19 living in households with income not exceeding average CSSA payment
- (3) Children aged 0-5 and 6-14 with single parent and in households with income not exceeding average CSSA payment
- (4) Children aged 0-5 and 6-14 living in private temporary housing and private shared units
- (5) CSSA recipients aged 0-5 and 6-14
- (6) Children under the care of aided child care centres
- (7) Full grant recipients under the School Textbook Assistance Scheme
- (8) Number of school drop-outs
- (9) Youth (approximated by persons aged 18-20 for data compilation purpose) without Secondary 3 education
- (10) Students without five passes in the HKCEE
- (11) Youth aged 15-19 not in education, training or employment

Working people/adults (aged 15-59)

18. For people of the working age, the primary concern is whether they are in employment. If they are employed, the concern is how many of them are the working poor (i.e., engaged in jobs with very low earnings). As to the unemployed, those who are unemployed for a long duration are more likely to fall into poverty, as they would generally find greater difficulty to return to employment.

19. The situation of adults with disabilities is also an area of concern. People with disabilities are encouraged to achieve self-reliance where possible. For the disabled who cannot support their own living, they would be assisted under the CSSA. Likewise, the CSSA also provides assistance to people who are not able to work and hence without income due to ill health. Thus, for poverty monitoring purpose, it would be useful to track the number of disabled receiving rehabilitation training services, and the number of the CSSA recipients who cannot make their ends meet due to disability/ill health.

20. The following indicators are suggested for monitoring the situation of poverty among people of working age :

- (12) Persons aged 15-59 living in workless households
- (13) Persons aged 15-19 and 20-59 living in households with income not exceeding average CSSA payment
- (14) Employed persons aged 15-19, 20-24 and 25-59 working 35 hours and above per week and with monthly employment earnings less than 50% of the median
- (15) Unemployed persons aged 15-19, 20-24 and 25-59
- (16) Persons unemployed longer than 6 months, and longer than 12 months
- (17) Adult able-bodied CSSA recipients having been on CSSA for more than one year
- (18) Persons with disabilities receiving vocational rehabilitation training services
- (19) Adult recipients of permanent disability/temporary disability/ill health CSSA

Older people (aged 60 and above)

21. For elderly persons, the priority is to ensure active and healthy ageing. In order to achieve this objective, it is necessary to have a reasonable level of financial support as well as care by family members and the community. Yet admittedly there is difficulty in tracking the financial position of retired persons, as they could live on personal savings, investment income, pension, and/or family support, and all these are more prone to be under-reported than income/earnings of the employed persons. So it might be advisable to look directly at the number of elderly persons receiving financial assistance from the Government as an indication of poverty. For a more general indication of elderly persons' well-being, an indicator relating to their living conditions is also added.

22. Bearing these limitations in mind, the indicators below are suggested for monitoring elderly poverty :

- (20) Recipients of different types of old age CSSA
- (21) Number of elderly patients under the waiving mechanism of public hospitals and clinics
- (22) Elderly persons living in private temporary housing and private shared units

Community

23. On a district-by-district and a community-wide basis, the poverty indicators involve basically a recapitulation of the key indicators in the above categories. Moreover, district-based indicators would be useful for indicating which geographical areas are relatively more deprived than the others, while the community-wide indicators would help to size the poverty problem for Hong Kong as a whole. The following are the indicators suggested :

- (23) Persons aged 0-14, 15-59 and 60 and above living in workless households by district
- (24) Persons aged 0-14, 15-59 and 60 and above living in households with income not exceeding average CSSA payment by district
- (25) Children aged 0-5 and 6-14 with single parent and in households with income not exceeding average CSSA payment by district
- (26) Employed persons working 35 hours and above per week and with monthly employment earnings less than 50% of the overall median by district
- (27) Median monthly household income by district
- (28) Median monthly employment earnings by district
- (29) CSSA recipients aged 0-14, and 60 and above by district
- (30) Persons living in private temporary housing and in private shared units by district

Concluding remarks

24. The above indicators represent the first step in putting together a basket of indicators reflecting the poverty situation in Hong Kong. A full list of the indicators is given at the **Annex**. Along with an enhanced understanding of the problem and evolving priorities of the Commission's work, other relevant indicators could be added to the list. Similarly, indicators which are not technically feasible to be collected may need to be deleted from the list, or else be replaced by other relevant indicators.

25. Members are invited to comment on the relevance and adequacy of the indicators, taking into account the considerations and limitations discussed in the above paragraphs, and to consider the way forward for this area of work.

Economic Analysis and Business Facilitation Unit
Financial Secretary's Office
4 April 2005

Summary of the proposed indicators

Children/youth (aged 0-14/15-19)	
1.	Children aged 0-5 and 6-14 living in workless households
2.	Children/youth aged 0-5, 6-14 and 15-19 living in households with income not exceeding average CSSA payment
3.	Children/youth aged 0-5 and 6-14 with single parent and in households with income not exceeding average CSSA payment
4.	Children aged 0-5 and 6-14 living in private temporary housing and private shared units
5.	CSSA recipients aged 0-5 and 6-14
6.	Children under the care of aided child care centres
7.	Full grant recipients under the School Textbook Assistance Scheme
8.	Number of school drop outs
9.	Youth (approximated by persons aged 18-20 for data compilation purpose) without Secondary 3 education
10.	Students without five passes in the HKCEE
11.	Youth aged 15-19 not in education, training or employment
Working people/adults (aged 15-59)	
12.	Persons aged 15-59 living in workless households
13.	Persons aged 15-19 and 20-59 living in households with income not exceeding average CSSA payment
14.	Employed persons aged 15-19, 20-24 and 25-59 working 35 hours and above per week and with monthly employment earnings less than 50% of the median
15.	Unemployed persons aged 15-19, 20-24 and 25-59
16.	Persons unemployed longer than 6 months, and longer than 12 months
17.	Adult able-bodied CSSA recipients having been on CSSA for more than one year
18.	Persons with disabilities receiving vocational rehabilitation training services
19.	Adult recipients of permanent disability/temporary disability/ill health CSSA
Older people (aged 60 and above)	
20.	Recipients of different types of old age CSSA
21.	Number of elderly patients under the waiving mechanism of public hospitals and clinics
22.	Elderly persons living in private temporary housing and private shared units
Community	
23.	Persons aged 0-14, 15-59 and 60 and above living in workless households by district
24.	Persons aged 0-14, 15-59 and 60 and above living in households with income not exceeding average CSSA payment by district

25. Children aged 0-5 and 6-14 with single parent and in households with income not exceeding average CSSA payment by district
26. Employed persons working 35 hours and above per week and with monthly employment earnings less than 50% of the overall median by district
27. Median monthly household income by district
28. Median monthly employment earnings by district
29. CSSA recipients aged 0-14 and 60 and above by district
30. Persons living in private temporary housing and in private shared units by district

Commission on Poverty (CoP)

Draft Work Programme

Purpose

After recapitulating the agreed Terms of Reference (ToR) of the CoP and summarising Members' expectations of the CoP, this paper proposes a work programme for Members' consideration.

ToR

2. Members agreed on the following at its first meeting on 18 February –
 - (a) to study and identify the needs of the poor;
 - (b) to make policy recommendations to prevent and alleviate poverty, and promote self-reliance; and
 - (c) to encourage community engagement; delineate responsibility between the government, social welfare sector and community organisations; foster public-private partnerships and mobilise social capital in alleviating poverty.

In connection with the discussion on the ToR, Members had an initial exchange on the priorities of CoP's work and tasked the Secretariat to consult Members individually with a view to proposing a work programme on the basis of Members' expectations.

Members' Views

Overall views on the status quo

3. Members' expectations of the CoP are, understandably, much affected by their impression of the current level and delivery of services and support for the needy. Overall, most Members found the existing services –
 - (a) broad in terms of coverage of all important groups of needy people;

- (b) extensive in terms of the types of services and support given;
- (c) generally sufficient in the overall level of service and support.

4. In short, though all Members could identify areas for possible improvements, most shared the absence of glaring oversight or omissions. Due to the following developments in Hong Kong, quite a number of Members felt that we could not afford to be complacent –

- (a) Though refinements had been made when needed, the basic architecture of the current system of services and support had been put in place some three decades ago; some aspects of it therefore deserved a fundamental review to ensure that the key tenets remained relevant and efficacious having regard to the intended beneficiaries and purposes.
- (b) As society became more complex, so did the division of labour among different agencies. Evolution of services/support was by necessity incremental and responsive to prevailing needs. Therefore, *prima facie*, with a view to making services/support more user-friendly and forestalling abuse related to regulatory arbitrage, it would be desirable to see if services/support rendered by different Government bureaux, departments and the directly-related agencies could be further rationalized, with their interface clearly and purposefully defined.
- (c) Policies and their implementation had largely been centrally designed. However, urbanization, housing and new town development had gradually given rise to significant demographic differences among districts. These might suggest the need for greater sensitivity to district characteristics and hence the need for differentiation in resources, policies and services delivery.

Priority groups

5. Following on their general observations above, Members elaborated on the needy groups that they felt deserved priority attention. These were consistent with the views expressed at the first meeting, *viz.* the younger generation (comprising pre-school children, students and young people below 25), the unemployed, the working poor and the elderly. For ease of reference, tabulated at Annex are the priority needs of these groups that Members felt the CoP should address. It is pertinent to note that, while acknowledging the possible overlaps among these groups and their multi-dimensional needs (e.g. the low level of income of adults being closely related to the well being of other household members that can comprise both young children and elderly people), Members realized that policy deliberation must be done discretely if only for manageability and to ensure proper targetting. Overlaps, multi-

dimensionality and hence interface between policies should be addressed further when implementation niceties are considered since, after all, the precise permutations of the overlaps and multi-dimensionality are multifarious and their case-specific nature must be given due account.

Things to note in future deliberation

6. Members further realized that being a low-tax and externally-oriented economy, Hong Kong's fiscal fortune was susceptible to fluctuations in the international and domestic markets. Therefore, cost-effective and prudent use of funds must be an important consideration. Some Members translated this guiding consideration into the following practical implications -

- (a) The focus of the CoP's work should not be fund disbursement. Fostering self-reliance, i.e. helping the needy to help themselves must be the key. A few Members specifically related this to assistance for the unemployed and the younger generation from socially and economically challenged backgrounds.
- (b) Any improvements must be bureaucracy-light. Hence, the CoP should refrain some setting up additional implementation agencies. Practical follow up, if necessary, should be conducted through existing agencies. In addition, as far as is possible, the market, volunteerism, community networking and social capital must be nurtured and harnessed. The work of the CoP should not duplicate or undermine the existing machinery including the current extensive advisory bodies/committees.
- (c) Future enhancement of services and support, if needed, should, as far as possible, be targeted and specific, in terms of district, categories of eligible persons and forms of services/support. This would help forestall abuse, wastage and implementation distortion.

Proposed Work Programme

7. Against the above considerations, most Members saw the need for both short and long-term programmes. They also indicated the importance of a focused approach since dissipation of attention and efforts across more than a few initiatives would detract from the CoP's capacity to deliver. In particular, paragraphs 3, 4 and 6(b) would suggest that the Commission should focus on key areas where multi-disciplinary/cross-sector cooperation is called for in order to enhance policy integration.

8. Based on views gauged from Members, the following work programme is proposed for Members' consideration –

Proposed short-term work programme

- (a) Deepening district-based approach: following district visits, to further encourage the setting up of district networks to address issues related to the characteristics of the districts; and to receive reports from, and render support to, such district networks. However, given the consideration at paragraph 6(b) above, whether and how to set up district networks should be a conscious and purposeful decision to forestall unnecessary proliferation and diffusion of energy and resources. Members are also invited to note, in this connection, CoP Paper 9/2005.
- (b) Encouraging community engagement: to catalyze social networking of various kinds by building on the existing mechanisms/support, e.g. mutual support between education institutions, private sector and NGO collaboration, neighbourhood care and support networks as well as various forms of mentoring and voluntary work. In the course of discussion with Members, the Secretariat was advised of encouraging developments in this regard and would duly inform Members and arrange for appropriate publicity of such initiatives in order to help energize community awareness and readiness to care for the less unfortunate. The more on-the-ground promotion or encouragement work can be left to individual implementation agencies/mechanisms.
- (c) Enhancing policy integration: within the existing policy and overall implementation framework of the current services and support programmes, to work on a few selected groups/areas which deserve priority attention. Based on the discussion at the first CoP meeting and views of Members, it is proposed that for the next six to nine months, the focus should be on developing recommendations –
 - (i) to reduce the risk of future poverty for the younger generation (please see CoP Paper 12/2005 for details); and
 - (ii) in respect of the unemployed able-bodied adults, to enhance training opportunities and strengthen employment assistance to help those who have ability to work to be meaningfully and gainfully engaged.

The following widely shared sentiments among Members explain the selection of item (ii) and how the CoP may take forward work in this area –

- without addressing the problem of adult unemployment, the sustainability of attempts to reduce the risk of future poverty of the younger generation is doubtful;
- we need to forestall those who are unemployed from becoming unemployable due to protracted inactivity or lack of meaningful engagement;
- the training provided and the employment assistance should be conducive to raising the beneficiaries' self-concept;
- this may be an area where tripartite partnership among the Government, the private sector and the NGOs may bear fruit;
- progress in this initiative would be a strong testimony to the viability of promoting the long term self-reliance of those who may be in unfortunate predicament currently. This can in turn help promote and secure the achievement of item (c) of the CoP's TOR (re. paragraph 2(c) above); and
- progress in this initiative would also help pave the way for the long term work programme proposed in paragraph 8(e) below to which a lot of Members attach importance.

Proposed long-term work programme

- (d) To examine the delivery of various services and support to see if greater streamlining, rationalization and efficiency is possible, without detracting from their intended objectives and eligibility criteria. And in this connection, Members may wish to note that some Members have mooted the idea of the sharing of data by *only* those bureaux and departments directly charged with providing various social services and support (viz. education, welfare, housing, medical and health) or, going even further if circumstances are ripe, the possibility of central processing of applications.
- (e) Guided by paragraphs 4 – 6 above, and in particular, paragraphs 4(a), 4(b), 6(a) and 6(c) , to work with the relevant advisory committees or the relevant bureaux to review the architecture of the key services/support programmes to see if any aspects would require modification and modernization. Members may wish to note in this connection that quite a number of Members have mentioned the desirability of reviewing the administration of the Comprehensive Social Security Assistance scheme in promoting the self-reliance of the able-bodied.

Other comments to note

9. Related to paragraphs 4(b) and 6(b) above, Members may wish to note that, when sharing their expectations of the CoP, some Members have also cautioned against making the CoP a permanent set-up. While short-term deliverables should be desirable and feasible, they are wary that the CoP would become another layer of implementation bureaucracy. Nor should the CoP become, in their view, an agenda generation machinery ignoring the change management implications for, and capacity of, the implementation agencies. For long-term work of a complex nature which requires protracted observation and continuous refinements (such as those proposed in the long-term work programme above), these Members favour the CoP setting directions and parameters for follow up by the relevant advisory bodies. As a corollary, they are of the view that the CoP should be ad hoc and time-limited. There are nonetheless also a few Members who hold a different view. While conscious of the potential pitfalls of a permanent set-up, these Members also see benefits for the CoP to become a permanent and over-arching review and monitoring body. They thus prefer to keep an open mind and revisit the issue in the light of how CoP's work evolves.

Advice sought

10. Members are invited to –
- (a) note the views collected from Members individually in paragraphs 4 – 6, Annex A and paragraph 9; and
 - (b) comment on the short- and long-term work programme proposed in paragraphs 7 - 8 above.

Commission Secretariat
April 2005

CoP Work Programme
Priority Groups – Members’ Concern

Children and youth

- Members generally share the importance for early attention and focused measures to cater for the needs of children and youth of different age groups. Members recognize that provision of education and development opportunities to those from disadvantaged families and background is key to efforts in reducing the risks of intergenerational poverty. Members agree the Commission should consider if there is room for improving the services and care to children and youth, in particular the disadvantaged and their families, in consultation with relevant fora and drawing reference to relevant overseas experience.
- Members consider that there is a need to target resources at those most in need among the different age groups, though there may not be a need to define the needs based solely on income.
- Members share the importance of the successful implementation of the new initiatives in the 2005 Policy Address in relation to reducing intergenerational poverty, including the pilot Head Start Programme and the School-based After-school Learning and Support Programme. Members however recognize that it takes time to develop appropriate policy tools targeting at youth, and more so to observe the impact of the policy measures. In this regard, some Members suggest it is useful to explore the feasibility for conducting longitudinal studies on child development in Hong Kong in the longer term.
- Members consider enhancing community engagement programmes to help children and youth in need of assistance (e.g. mentorship, tutorial, after-school care programmes, scholarships etc.) a priority.

The unemployed

- It is recognized that unemployment is a key factor of poverty with serious economic, social and emotional impacts. Being meaningfully engaged in gainful employment is key to promoting self-reliance for those who can work. Members consider the Commission should look into ways which may further enhance training opportunities, strengthen employment assistance and reach out to those most in need of assistance –

- *Unemployed youth:* Members consider that education/training and employment services assisting youth should be seamless and effective in assisting them in entering the job market. Integrated assistance of social work/training/employment to non-engaged youth is particularly important. The Commission would review various training and employment assistance to youth, bearing in mind district-specific needs.
- *Middle-aged unemployed:* The Government should continue to promote employment through promotion of economic growth. Employment assistance catering for district-specific needs should be strengthened. Some members suggest that the Commission should review the economic policies of the Administration and consider ways to promote labour-intensive industries/ low-skill jobs for the low-income group (tourism, urban renewal, recycling etc.) while recognizing the need to avoid market distortion.
- *Able-bodied CSSA recipients:* Members consider there is a need to consider the “pull” and “push” factors in welfare-to-work initiatives. Some Members suggest there is a need to review the provision of unemployment relief instead of placing the unemployed on CSSA. While there is no evidence to support growing dependence on welfare by able-bodied recipients or any widespread abuse, there is a need to ensure the CSSA Scheme is helping those genuinely in need and sustainable financially in the long-run.

Working poor

- It is recognized that low-income earners, who are often referred to as the ‘working poor’ may be the most disadvantaged and demoralized groups in our society. Despite putting in long-hours of hard work, they only receive meagre income which may be lower than CSSA level. Members consider there is a need to consider how to assist the working poor, including those qualified for CSSA but not receiving CSSA (e.g. no knowledge, stigma, value of self reliance etc.); and those not eligible for receiving CSSA (with income just above CSSA requirement or unable to meet other eligibility criteria), but need care and assistance.
- Members in general consider that better employment opportunities and wages are key to assist the group. While it is recognized that minimum wage/maximum working hours may narrow the differential between the CSSA level and the wage level, Members recognize that views are very divided on the subject and feel that the Commission should keep in view the detailed discussion to the Labour Advisory Board.
- Members consider that it is important to ensure that this group can access to financial and other public assistance provided by different agencies and won’t be denied of vital social services due to lack of means. Some Members

- consider it worthwhile to review the different benchmarks used by bureaux/departments in granting financial assistance and subsidies (e.g. Rent Assistance Scheme, medical fee waiver, travel subsidy, textbook assistance).
- Members generally share that living expenses such as transport costs for commuters living in remote areas or private housing rental are of particular concern to the working poor, though Members recognize difficulties in devising assistance schemes which can target the group effectively, are financially sustainable and supported by the community.
 - In the long run, some Members suggest it is worthwhile to look into the so-called ‘Many Helping Hands’ approach in assisting the poor. Under the approach, income support scheme of CSSA should be repositioned as a residual program supplementing the efforts/non-cash benefits of other policy areas of employment, education, health and housing in meeting the needs of the poor, while not affecting the commitment of the Administration in providing basic safety net. It is also worthwhile to look into possible systems which may enhance the transparency and administrative effectiveness in granting assistance, e.g. enhance sharing of essential data to facilitate more targeted delivery of assistance, or a central agency in vetting eligibility criteria for seeking financial assistance.

Elderly poor

- Members consider it worthwhile to look into how the financial, health and social needs of the elderly poor are being catered for, in particular those not on CSSA (either by will or unable to meet eligibility criteria).
- It is important to understand the actual situation of some elderly poor qualified for CSSA but not receiving CSSA and the reasons behind before considering how best to provide for financial assistance to them (e.g. whether the level of the Old Age Allowance (OAA) should be raised; whether a higher means-tested level should be devised to cater for the group of elderly who may be unwilling to apply for CSSA; or ways to assist the elderly poor qualified for CSSA to apply for assistance instead of raising the OAA level).
- Members consider it is worthwhile to look into the interface of services provided to elderly (e.g. application procedures for medical fee waiver for non-CSSA recipients at public hospitals/clinics, and if medical social workers can guide elderly to other welfare and community services). Members note the Housing Authority’s recent relaxation of the asset limits for elderly applicants for public rental housing is a right step forward in catering for the particular needs of the elderly poor.
- In the long run, Members consider it crucial to study the sustainability of the

Three Pillars of Retirement Protection in Hong Kong, and where appropriate consider ways to strengthen the three pillars in order to prevent our present working population from living in poverty when they grow old.

Other disadvantaged groups

- To adopt a pragmatic approach, Members express that the groups which require priority attention of the Commission are children and youth, the unemployed, the working poor, and the elderly poor. However, Members agree that the Commission should also keep in view the needs of other disadvantaged groups in its work, including people with disabilities, single parent families; new immigrants, ethnic minorities and women.
- In addition, while it is recognized that the present level of CSSA Scheme is more or less adequate to cover the basic day-to-day needs of the recipients, Members agreed that the welfare of CSSA recipients should be kept in view, e.g. need for social support and assistance. The Commission would also keep in view on the on-going reviews of the CSSA Scheme and the relevant policy implications to poverty alleviation (e.g. CSSA level should be no higher than basic needs/subsistence lest the negative impact on motivation to work /self-reliance).

Commission on Poverty (CoP)

Intergenerational Poverty

Purpose

This paper sets out the current and planned services/provision for our younger generation, with a particular focus in reducing the risks of intergenerational poverty through the provision of education and development opportunities to those from disadvantaged families and background.

2. Coverage of this paper will be focused on health, school education, welfare and related services for children and youth. Training and employment opportunities for youth would be discussed at the next CoP meeting, though the discussion on “Non-engaged Youth” in paragraphs 22 – 27 would touch on youth unemployment. While it is recognized that family circumstances (e.g. employment/marital status of parents) affect child’s development and should be taken into account in policy formulation, specific policies and measures targeting at other family members would be dealt with at separate meetings.

Where We Are Now

Universal services

3. Children and youth hold the key to our future. Government attaches great importance to meeting their needs and preparing them for meaningful participation in the community. A wide range of universal services are provided by various government agencies including comprehensive disease prevention and health promotion services, nine years’ free and universal education, as well as child care and other support services. Children with special needs (e.g. physical or behavioral problems) receive special treatment. Details of these services are set out at *Annex A*.

4. Hong Kong has a good story to tell in terms of the services and care provided to children and youth. With our continual efforts in preventive health care services, coupled with the advancement in medical facilities and the improvement of social economic status, our health indices related to children compare favourably with those of most developed countries. The infant mortality rate has shown a general declining trend over the past two decades and reached as low as 2.5 per thousand registered live births in 2004. The immunization coverage rate in Hong Kong, which is about 99%, is also on par

with the average coverage rate of 94% in industrialized countries. The performance of Hong Kong children in various developmental aspects is comparable to their peers in western countries. In some areas concerning the acquisition of numeracy skills and pre-writing and literacy skills, Hong Kong children are even more advanced. Comparable to practices in most western societies, 9-year free basic education is provided.

Assistance to children and youth from low-income households

5. Universally available services outlined in Annex A serve as a broad basic assurance of the general welfare of the younger generation. Government nevertheless recognizes that some may need additional assistance either due to their special needs or lack of means or access to opportunities considered essential to their healthy and balanced development. In this connection, assistance schemes are in place to help CSSA households and other low-income families¹ as set out in paragraphs 6 to 8 below.

6. The existing CSSA Scheme also caters for the special needs of children in financial difficulty. The CSSA standard rates for children are higher than that for adults by \$130-\$315, with the monthly payments ranging from \$1,275 to \$1,920 for each child. No restrictions are imposed on the use of the standard rates. To cater for other special needs of children, the CSSA Scheme also provides a wide range of special grants. These include grants to cover fees for nursery, school fees, fares to and from school, examination fees, meals, and yearly study related grant of up to \$3810 for school-related expenses such as books, stationery, school uniforms etc.

7. For individual CSSA families who may have difficulties in taking care of their children, the Director of Social Welfare (DSW) would consider exercising his discretion under the CSSA Scheme to provide extra assistance, such as fees for glasses, having regard to the situation of each family. We believe that the existing CSSA payments can satisfy the basic needs of the CSSA families, including those with children.

¹ As of February 2005, there are 88 980 CSSA households with children and youth below 18. Based on General Household Survey (GHS) results for October - December 2004, of the 858 100 households with persons aged under 18, 170 900 households are estimated to have monthly household income less than the average CSSA payment of the corresponding household size. (Please note that the estimates on CSSA households from the GHS are subject to under-reporting as some of these households may be reluctant to disclose such information in the survey.) Another indicator of low-income families is the number of students receiving full grants under School Textbook Assistance Scheme (non-CSSA recipients with adjusted family income at \$19,332 or below). The number was 111 960 out of a total of 909 700 primary and secondary students in 2003/2004.

8. Other assistance to low-income families include -

- Education: It is Government policy that no children would be deprived of education for lack of means. Primary and secondary students from low-income families not receiving CSSA are eligible for financial assistance under various means-tested schemes administered by the Student Financial Assistance Agency (SFAA) in the form of travel subsidy, textbook assistance, tuition fee remission and public examinations fee remission. Eligible full-time local students of publicly-funded and self-financing programmes at post-secondary level may apply for financial assistance in the form of grants and/or low-interest loans to cover tuition fees, academic and living expenses, where applicable.
- Kindergartens: Financial assistance is also provided to eligible non-profit-making kindergartens through reimbursement of rent, rates and government rent and the Kindergarten Subsidy Scheme to alleviate the impact of rental and teachers' salary respectively on kindergarten fees. Kindergarten students from low-income families not receiving CSSA are also eligible for financial assistance through the Kindergarten Fee Remission Scheme (KGFRS).
- Child care centres: Majority of the child care centres receive subsidy from the Government, while others are either operated by non profit-making organizations or private operators. Low-income families, including those on CSSA, with a social need² to place their children in full day care can receive financial assistance through the Child Care Centres Fee Assistance Scheme (CCCFAS). Upon harmonization of child care centres and kindergarten which is scheduled for implementation in the 2005/06 school year, the KGFRS will replace CCCFAS to cover all pre-primary services.
- After School Care Programme (ASCP) : ASCP is run by NGOs on a self-financing basis. Low-income families, as determined by their household income according to the Median Monthly Domestic Household Income (MMDHI) or those on CSSA, may apply for full or half fee waiving. The provision for fee-waiving places will be increased from \$10 million a year to \$15 million from April 2005 to provide some additional 415 full fee waiving places on top of the existing 830 places.

Recent Development

9. The 2005 Policy Address has galvanized community attention to poverty generally and risk of intergenerational poverty in particular. In addition,

² "Social needs" refer to family circumstances such as both parents are working, a single parent family or a broken family, a need for full day care for a mentally retarded child or a victim of child abuse or other circumstances as recommended by a social worker.

international and local studies suggest a high correlation between at-risk children/youth and economically/socially challenged backgrounds (e.g. single parent, low income families, new immigrants, ethnic minorities)³. Early attention and effective prevention will go a long way towards reducing future and probably more significant social costs in terms of academic failures, broken families, non-engaged youths, poor labour force attachment and increased welfare spendings. There is therefore a growing acceptance of the need for an inter-agency, multi-disciplinary integrated approach taking into account district-specific needs (paragraphs 10 to 15 below).

An integrated approach

10. To facilitate joint efforts from health, social service and education sectors in promoting the optimal development of preschool children in Hong Kong, the Committee on Promoting Holistic Development of Preschool Children was formed in December 2002. Committee members include representatives from the Department of Health (DH), Education and Manpower Bureau (EMB), Social Welfare Department (SWD), non-governmental organizations (NGOs), academic institutions and parents. Recommendations from the Committee are being followed-up (See para. 17 re. the pilot Head Start Programme).

11. There is an extensive network of 61 Integrated Family Service Centres (IFSCs) operated by SWD or NGOs over the territory to provide family support services to the needy. Services include counseling service, supportive groups and programmes, aiming at assisting individuals and families build up self-confidence and develop proper values, enhance parents' parenting skills and strengthen their skills in problem solving and stress management.

12. With the funding of SWD, NGOs now operate a total of 132 Integrated Children and Youth Services Centres (ICYSCs) over all districts in Hong Kong to provide holistic services for young people aged 6 to 24. The wide range of services provided by ICYSCs includes guidance and counseling, supportive services for people in disadvantaged circumstances, socialization programmes and programmes for the development of social responsibility and competence. The ICYSCs serve as a major neighbourhood platform cultivating a social environment conducive to the healthy development of young people through professional social work services as well as close collaboration with other disciplines/sectors.

13. A number of departments also collaborate at the district level to provide support to youth at risk and young offenders. For example, for juveniles cautioned under the Police Superintendents' Discretion Scheme, we have

³ Nine environmental factors which impact on "output" of an individual include family life, socioeconomic background, personal track record, role modeling, competition, level of stress, luck and opportunity, school experience, and cultural factors. (*"The Myth of Laziness"* Mel Levine, M.D.)

introduced since October 2003 Family Conferences to bring together relevant professionals from SWD, Police, DH and EMB as appropriate, the juveniles and their family members to draw up follow-up action plans to address the needs of the juveniles.

14. Moreover, the Committee on Services for Youth at Risk, under the chairmanship of DSW, is a forum for promoting multi-disciplinary, cross-sector and cross-bureau/department collaboration to recommend effective means to address the changing needs of young people, especially the youth at risk.

15. At the district level, Local Committees on Services for Young People chaired by District Social Welfare Officers of SWD, are also set up to enhance the coordination of efforts among different parties, including NGOs, EMB, the Police, schools, parents, community leaders etc.

Sharpening the focus

16. The Government has, in cooperation with relevant advisory bodies and parties, developed different assessment tools and conducted relevant studies in order to assess the needs of children and youth of different age groups. The following paragraphs describe the needs assessment of three age groups: 0 – 5, 6 – 15, 15 – 24. These assessments and studies facilitate the identification of needs of special groups, using yardsticks other than income alone. They help sharpening the focus on children/youth at-risk and facilitate design of effective intervention and programmes.

Children 0 – 5 Years : pilot Head Start Programme

17. The Government will introduce in phases a pilot “Head-Start Programme” (HSP) for children aged 0-5 years in four selected communities, namely, Sham Shui Po, Tin Shui Wai, Tuen Mun and Tseung Kwan O. The HSP is a community-based programme which aims to augment the existing service in the MCHCs through better alignment of the delivery of health, education and social services to ensure early identification of the varied needs of children and their families so that appropriate services can be made available to them in a timely manner. Implementation of HSP involves inter-sectoral and multidisciplinary collaboration among government departments and relevant agencies. The first pilot will be launched in Sham Shui Po in July 2005. The latest development and details of the programme are at **Annex B**. We are committed to making the pilot Head Start Programme a success. As a start, we will closely monitor the referral statistics and increase in demand for various social services in Sham Shui Po to see if additional resources are required for respective services. We will conduct an evaluation of the pilot run in Sham Shui Po.

Children and Youth 6 – 15 Years

18. A number of programmes targeted at screening and assisting children

and youth of this age group have been/will be introduced, namely the Adolescent Health Programme, Understanding the Adolescent Project, and the “Positive Adolescent Training through Holistic Social programmes (“P.A.T.H.S.”) to Adulthood : A Jockey Club Youth Enhancement Scheme” (see paragraphs 19 – 21 below).

19. In order to promote the psychosocial health of adolescents and reach out to those students not coming to health centres, a new outreaching Adolescent Health Programme was introduced in 2001/02 school year. The purpose is to equip adolescents with knowledge and life skills to understand and accept themselves and other people, competently and confidently participate in society throughout their life course and enjoy a healthy and joyful life. Multi-disciplinary teams of doctors, nurses, social workers, psychologists, and dietitians go to secondary schools and conduct various services for the students, their teachers and parents in the school setting. Building upon DH’s existing Student Health Service, the Programme has successfully been extended to 358 secondary schools distributed in 18 districts in the current 2004/05 school year.

20. Understanding the Adolescent Project (UAP) aims at enhancing students’ resilience in coping with adversities. There are two components in the UAP, namely the screening and the comprehensive programme. The UAP (Primary) aims at identifying primary 4 students with greater needs for guidance. The comprehensive programme includes a series of Universal Programme (UP) and Intensive Programme (IP). The UP is a guidance curriculum on resilience, targeting at all primary 4 to 6 students. The IP is a series of small group, adventure-based and parent-child activities, targeting at primary 4 students identified with greater needs for guidance. Prior to implementation, the UAP was piloted in 18 primary schools for 3 years. The results suggest an average of about 19% of primary 4 students is in need of supportive services. The UAP started to implement in 250 primary schools in 2004/05 school year and will continue in 375 schools in 2006/07 and a total of 500 schools in the 2006/07 school year and thereafter.

21. The UAP (Secondary) was implemented since 2001/02 school year among secondary schools. UAP (Secondary) serves secondary 1 students identified with greater developmental needs. Preventive programmes are rendered to enhance their competence, belongingness, optimism and resilience culture. This will be phased out from the 2005/06 school year. A new programme, called the “Positive Adolescent Training through Holistic Social programmes (“P.A.T.H.S.”) to Adulthood : A Jockey Club Youth Enhancement Scheme”, will be launched by the Hong Kong Jockey Club in early April 2005 for junior secondary students to enhance their psycho-social development, such as competency, character, caring and so on. SWD would assist in the implementation. There will be two tiers of programmes, one for all junior secondary students and the other for those identified to be in greater need.

Youth 15 – 24 Years

22. The focus in this age group is the so-called “Non-engaged Youth” (NEY) which generally refers to young people aged 15 to 24 who are unemployed not pursuing further studies. According to the Census and Statistics Department, the number of NEY was estimated at 61 200 (including the 39 000 unemployed and 22 200 economically inactive young people who were not pursuing further studies⁴) in Q4 2004.

23. In the Report entitled “Continuing Development and Employment Opportunities for Youth”⁵ submitted to the Chief Executive of the Government of the Hong Kong Special Administrative Region in March 2003, the Commission on Youth (COY) analyzed the problem of youth unemployment from different perspectives; and assessed the needs of NEY in terms of personal development, skills training, career development and employment opportunities. COY observed that all the existing youth employment programmes still failed to meet the needs of NEY.

24. COY recommended in its report the development of a conceptual framework aimed primarily at enhancing the human, social and cultural capital of young people; meaningful engagement for NEY; and emphasizing cross-sector and cross-department collaboration. It also proposed to devise some outcome-focused schemes to meaningfully engage the NEY and address their needs in a holistic manner. The COY also recommended the Government to establish a Research and Development Fund in support of new initiatives or pilot projects related to continuing development and employment opportunities for NEY.

25. In response to the recommendations of COY, the Chief Executive, in his 2004 Policy Address, announced that a Youth Sustainable Development and Employment Fund (“the Fund”) would be established to promote trial schemes and exploit opportunities for training, placement and employment. The Task Force on Continuing Development and Employment-related Training for Youth was established in March 2004 to co-ordinate and oversee the various training and employment programmes targeted at NEY. It is hoped that through the participation of representatives from various sectors and government departments at the Task Force, the effectiveness of such programmes could be enhanced and new ideas and strategies in assisting young people in their continuing development and employment could be fostered.

26. To support the mission of the Task Force, the Government allocated \$50 million to the Fund (i) to pilot various training programmes suitable for NEY; (ii) to support research projects on problems related to NEY and assessment of

⁴ This refers to persons who are economically inactive for reasons other than "students", "home-makers" and "persons who could not work due to health reasons".

⁵ The Report is available at http://www.info.gov.hk/coy/eng/report/Continuing_Dev.htm.

existing youth training and employment programmes; and (iii) to train frontline youth workers to enhance their skills in motivating the NEY to seek employment or pursue education. So far, the Task Force has approved a total of 14 pilot projects with some 4 100 training places. As regards the training courses for the frontline staff and research work, the Task Force has commissioned relevant agents to take these projects forward. In due course, the Task Force will submit a report to the Government on recommendations to address the problem of NEY.

27. Besides, SWD has set up 18 District Outreaching Social Work teams to focus on identifying and addressing the needs of high-risk youth and handle juvenile gang problems. Moreover, 18 ICYSCs are provided with the resources to provide overnight outreaching services for night young drifters on a territory-wide basis. Other ancillary services and facilities are also provided for youth at risk, such as immediate crisis residential and crisis intervention services, 24-hour all-night drop-in centre and overnight leisure facilities operated by Leisure and Cultural Services Department.

Other Measures

28. Concomitant with Hong Kong's state of development, nurturing of our younger generation should mean more than just provision of basic livelihood and school education. Quality development of a reasonable extent enabling the children to face future challenges of academic/career pursuits should also be provided. Therefore, in recent years, enhancement in diverse areas has also been provided. Examples are set out below.

After-school learning

29. The new school-based after-school learning and support programmes aim to provide more support to disadvantaged students in enhancing their learning effectiveness, both in terms of academic studies and outside classroom learning experience. EMB has consulted school councils and NGOs on operational details for the new initiative and formulated implementation strategies. Schools and NGOs are expected to work in collaboration and organise custom-made activities for students to build up their capacity and self-reliance. The programmes will be launched in summer 2005. Details of the programmes are at **Annex C**.

IT assistance

30. A survey shows that in Hong Kong about 91% of the student population aged over 10 years old already have computers at home. Indeed, to improve needy students' access to computers after school, starting from the 1999-2000 school year, an incentive grant has been provided for schools to extend the opening hours of their computer rooms/facilities for use by students.

Besides, there are about 1,000 computers installed in the community and youth centres where students can use for browsing the Internet and self-study after school. In 2001, the Quality Education Fund allocated \$200 million to secondary schools to buy notebook computers for loan to needy students. About 450 secondary schools have benefited from the scheme and about 21,000 notebooks have been purchased. In collaboration with NGOs, a “computer recycling” project is being planned to deliver recycled computers bundled with technical support as well as IT training for parents in the coming two school years to help needy students and to enhance their access to IT facilities and resources.

Jockey Club Life-wide Learning Fund

31. The Jockey Club Life-wide Learning Fund was established in 2002 to provide financial assistance for primary 4 to secondary 3 students to take part in Life-wide Learning activities. The primary target beneficiaries are CSSA and SFAA Full Grant recipients. The fund budget is \$141 million for five years. In 2004, a large-scale review was conducted. Schools generally consider that the Fund should benefit needy students at all primary and secondary levels and that more flexibility should be provided to school in the use of funds to help other needy students. The schools’ requests have been referred to the Jockey Club for consideration.

Uniformed groups (UGs)

32. Home Affairs Bureau (HAB) provides recurrent subvention to 11 uniformed groups (UGs) and youth organizations in support of their non-formal education and progressive training programmes/activities for young people aged between 8 and 25. Through squad training, foot drills and multi-skills training, the UGs seek to foster self-confidence, sense of civic responsibility, leadership skills, team spirit and community participation among young people. The total number of UG members in Hong Kong aged between 8 to 25 is around 129 000 as at end of 2004, which represents 10% of the population within that age group. While the training and education programme of UGs cater generally for all able-bodied young people regardless of their economic background, individual UGs do have concessionary arrangements for underprivileged youths (such as those on CSSA), and special groups or units aimed at providing education and training programme for young people with disabilities. EMB is separately considering the provision of additional subsidies to UGs that will set up new leagues with free uniforms for needy participants. Sponsorship will also be provided for those with financial difficulties to receive leadership training.

Commission on Youth (COY)

33. HAB has been working closely with the Commission on Youth (COY) in organizing various youth programmes or subsidizing projects organized by NGOs, as well as conducting research and studies in each year, for the purpose of nurturing and promoting the growth and development of young people.

Studies by Central Policy Unit (CPU)

34. In order to complement policy formulation, CPU is conducting a study on alternative approaches to tackle child poverty which focuses on strategies other than providing income support. CPU is also planning a study on international experiences in tackling inter-generational poverty to complement the work of the Commission. The results of both studies are expected to be available in July 2005.

Possible Way Forward for the CoP

35. It would appear that the current coverage of the services is quite comprehensive and actions are also in hand to make further improvements, when identified. Consequently, major shifts in direction may not be warranted. Rather, with a view to minimizing duplication and adding value to the services/work programmes already in place, the CoP may wish to focus its work on the following: offer views on the development of new services that are relevant to poverty alleviation, help build social capital in support of the healthy and balanced growth of our younger generation, develop indicators to track changes over time, and ensure proper interface/coordination among the various policies and delivery agencies. Translated into practical terms, this may involve work in the following areas -

- to be kept posted of, and where appropriate, offer views on the implementation of the new initiatives in the 2005 Policy Address in relation to reducing intergenerational poverty, including the pilot Head Start Programme and the School-based After-school Learning and Support Programme;
- to consider room for improving the interface and coordination of services and care to children and youth, in particular the disadvantaged and their families;
- to liaise with relevant stakeholders in exploring the feasibility for conducting longitudinal studies on child development in Hong Kong;
- to consider enhancing community engagement programmes which helps build up community capacity to care for those in need of assistance (e.g. mentorship, free tutorials for the poor, after-school care programmes, scholarships etc.).

36. Should the above broad direction be endorsed, work by the CoP would need to be supported by appropriate institutional arrangement. However, this institution arrangement would need to take account of the current remits and activities of related bodies such as the Commission on Youth, the Task Force on Continuing Development and Employment-related Training for Youth, various

policy bureaux and departments. The CoP Secretariat will prepare a note on the proposed institutional set up for Members' further consideration.

Advice Sought

37. Members are invited to -
- (a) note the various universal services provided to children and youth (paragraphs 3 – 4 including Annex A);
 - (b) note assistance in place to help CSSA households and other low-income families to access to the universal services (paragraphs 5 – 8);
 - (c) note recent development in adopting an integrated approach and sharpening focus on the needs of children and youth (paragraphs 9 – 27), including details of the first pilot Head Start Programme at Annex B;
 - (d) note other measures in enhancing further development of child and youth (paragraphs 28 – 34) including the new School-based After-school Learning and Support Programmes at Annex C; and
 - (e) comment on the focus of the CoP's work as proposed in paragraphs 35 and 36 above.

Commission Secretariat
(with input from relevant bureaux)
April 2005

Universal Services Provided to Children and Youth

Health Services

- Children aged 0-5 years and their parents can enjoy a range of disease prevention and health promotion services at 33 Maternal and Child Health Centres (MCHCs) operated by the Department of Health (DH). Through participation in the 'Integrated Child Health and Development Programme', which is underpinned by elements of parenting guidance, immunization and health and developmental surveillance, the developmental needs of pre-school children in the physical, cognitive and social emotional domains are taken care of in a coordinated way. Children with significant health or family problems are referred for further specialist management. Every year, over 90% of newborn babies enrol in MCHC services. Children in Hong Kong are immunised against tuberculosis, hepatitis B, poliomyelitis, diphtheria, tetanus, pertussis, measles, mumps and rubella. Owing to the high vaccine coverage, the incidence of many vaccine-preventable infectious diseases among children has remained relatively low, and poliomyelitis has been eradicated.
- On preventive dental services, annual dental examination and basic dental care are provided to about 426,500 primary school children annually by the School Dental Care Service of DH. This covers about 90% of children in that age group. Educational and promotional activities are organised throughout the year by the Oral Health Education Unit of DH to enhance the oral health awareness among children. Target-specific programmes are delivered to more than 140,000 pre-schoolers every year through the MCHC's, Kindergartens and pre-school centres. Additionally, the Oral Health Promotion Bus reaches out to 10,000 students at their schools each year.
- The Student Health Service of DH places emphasis on health promotion, disease prevention and continuity of care. Its 12 student health service centres (SHSC) and three special assessment centres provide health assessment, health education and individual health counselling to all primary and secondary school students. Enrolled students will be given an annual appointment to attend a SHSC. Services include physical examination; screening for problems related to growth, nutrition, blood pressure, vision, hearing, spinal curvature, psychosocial health and sexual development; individual counselling and health education.

Education Services

- Children aged six to 15 are provided with nine years' free and universal education up to Secondary 3 level. Thereafter, students who are willing and able to continue with their study are given the opportunity to receive subsidized senior secondary and university education. For students with special educational needs or academic low-achievers, intensive remedial teaching programmes are offered in primary schools, and school-based remedial support/curriculum tailoring programmes in secondary schools. Free assessment and follow-up services are provided for students suspected of having physical/sensory disabilities, speech and language impairment and behavioral problems. Those who cannot benefit from ordinary school education may attend special schools.

Pre-primary Services (Kindergartens and Child Care Centres)

- Both kindergartens and day nurseries offer programmes that cater for the developmental needs of children. These offer opportunities for children to learn through their active involvement in play and group activities to cater for their all-round development.
- In respect of pre-primary services, the Government plays an important role in promoting the development of quality pre-primary services through various means. They include upgrading the qualifications of early childhood educators; providing financial support to pre-primary institutions in the forms of reimbursement of rent, rates and government rent and subsidies to enable them to employ more qualified teachers without increasing their fees substantially. The implementation of the harmonisation of pre-primary services in the 2005/06 school year will also enhance the quality of pre-primary services further.
- From an educational point of view, a half-day kindergarten programme will suffice for children aged 3 to 5. To meet the demand of those families who cannot provide care to their children due to employment or other social reasons, full-day edu-care programmes are also provided by day crèches and day nurseries for children aged below 6. As at September 2003, about 72% of students aged three to five were attending kindergartens¹. As at September 2004, the attendance rates for day nurseries² and day crèches³ were 63% and 80% respectively.

¹ This excludes the number of children attending child care centres.

² There were 50 505 places in day nurseries (including those aided and private) and 32 055 children were attending.

³ There were 1 397 places in day crèches (including aided and private) and only 1 124 children were attending.

Child Care and Other Support Services

- To meet the demand of those families who cannot provide care to their children due to employment or other social reasons, we provide various child care services. Extended Hours Service is provided in some child care centres to meet the social needs of families and working parents who need longer hours of child care assistance. Mutual help child care centres provide informal child care support services in the neighborhood. Each centre provides occasional care and supervision to not more than 14 children under the age of 6. It offers short-term and ad hoc care arrangements. Children are looked after by volunteers, neighbours or parents who are members of the centre. Other alternatives, like supervised child-minding, may also serve the needs of some parents. With some basic training to the child-minders and support from NGOs, some families are provided with supervised child-minding services. This is a safe, flexible and tailor-made form of services provided in a family environment.
- NGOs are subvented to provide core young people services, namely children and youth centre services, outreaching social work services and school social work services for children and youth aged 6 to 24.
- After School Care Programme (ACSP) provides supportive services for students whose parents are unable to provide proper care for them after school hours due to work or other reasons. Services of ACSP include homework guidance, parental guidance, meal service, skill learning and other social activities.