

For information
On 9 November 2006

LC Paper No. CB(2)250/06-07(01)

**Subcommittee to Study the Subject of Combating Poverty (the Subcommittee)
Report on Women in Poverty**

Purpose

This paper outlines the initiatives of the Health, Welfare and Food Bureau (HWFB) to assist the disadvantaged and promote women's interest and well-being. They are relevant to a number of recommendations made by the Subcommittee in its Report on Women in Poverty.

Development of social capital (General Initiative)

2. The Government attaches much importance to the development of social capital through capacity building of the disadvantaged and tripartite partnerships. We seek to create opportunities to serve as springboard for those in need, including women in low income, to be lifted out of poverty. To this end, the Government has established a \$300 million Community Investment and Inclusion Fund (CIIF).

3. A key objective of the CIIF is to develop social capital through capacity building of the disadvantaged, enhancing mutual help between people from different social strata and encouraging cross-sectoral partnerships to create opportunities for social and economic participation. Amongst the 110 plus projects supported by the CIIF to date, low-income families, single parents, the unemployed middle-aged, disengaged youth and new arrivals are amongst the key participants under empowerment. Women and women's groups take both a participating and driving role in these projects, with some achieving much improved social and economic outcomes. Examples include the 70 post-natal carers who have formed a collaborative service network with each earning more than \$7,600 a month and the total earning amounting to \$3 million over a two year period; and the 8 co-operatives established through the "Sunny Community in Tung Chung"

project, creating over 150 full and part-time positions, opening up a pathway for more sustainable employment.

Support Services for Low-income Families (Recommendation (p))

4. The Government spares no effort in addressing the welfare needs of the disadvantaged including the low-income families, single parents and new arrivals. We seek continuous service improvement and more effective and efficient use of resources through service re-engineering.

5. Following a review of family welfare services in 2000-2001 and the positive findings in the pilot projects of Integrated Family Service Centres (IFSCs) implemented from April 2002 to March 2004, the Social Welfare Department (SWD) re-engineered the family service resources to form a total of 61 IFSCs run by the SWD and non-governmental organizations (NGOs) by phases in 2004-05. IFSCs are best placed to provide more holistic and user-friendly services to families in need, including low-income families, single parents and new arrivals.

6. As compared with the five time-limited Single Parent Centres (SPCs) located in five districts and four time-limited Post Migration Centres (PMCs) in four districts serving a much larger geographical boundary, the 61 IFSCs which are distributed all over the territory are more accessible to service users and more effective in catering for community needs. The new IFSC service model puts a premium on early prevention and intervention. It also offers additional services previously not available at SPCs and PMCs, including intensive counselling, assessment for compassionate rehousing, arrangement for clinical psychological services, etc. With greater accessibility and the provision of a continuum of preventive, supportive and remedial services, IFSCs can better meet the varied needs of single parents and new arrivals.

7. As at the end of March 2006, of the 41 250 active cases receiving counseling and supportive casework services in IFSCs, about 5 880 are single parent cases, and about 1 100 are new arrival cases. Between April 2005 to March 2006, IFSCs have organized about 290 groups specifically

for about 3 860 single parents, and 260 groups specifically for about 2 480 new arrivals.

Child Care and After-school Care Services (Recommendation (k))

8. We provide a range of child care services to families in need. Families in financial need are provided with fee subsidies. Extended service hours are available for parents who work longer hours. NGOs also run After School Care Programmes on a self-financing basis for children aged between 6 to 12. Low-income families are provided with full or half fee waivers by SWD.

9. For parents with unconventional working hours, they may choose child care services with more flexible operating hours, including Mutual Help Child Care Centres, day foster care service, as well as volunteer-operated mutual help after-school care support sponsored by the CIIF.

10. To enhance our support to needy families, we have increased the annual provision for fee waiving places for After School Care Programme from \$10 million to \$15 million in 2005, thereby increasing the number of full fee waiving places from 830 to 1 250. Besides, to strengthen our support to families with young children in facing their family or personal problems, we will launch a new day small group home service and extend the day foster care service. We will also strengthen the service provision of mutual help child care centres by providing financial incentives to operators. Fee subsidy will also be made available for families with financial need.

Comprehensive Social Security Assistance (CSSA) Scheme (Recommendation (n))

The review of Disregarded Earnings (DE)

11. The provision of DE under the CSSA Scheme allows recipients to keep a portion of their monthly earnings without affecting their CSSA entitlement, thus encouraging them to find and maintain employment. At present, all categories of recipients in cases which have been on CSSA for

not less than three months can benefit from the provision of DE. The SWD is currently undertaking a review of the arrangements for DE under the CSSA Scheme, and we will consult the stakeholders on the outcome of the review in 2006-07.

Seven-year residence rule under the CSSA Scheme

12. The CSSA Scheme is financed entirely from general revenue. A seven-year residence is normally required for the grant of permanent resident status in Hong Kong. Indeed, most developed countries impose residence requirement as a condition for the receipt of non-contributory welfare benefits. This requirement provides a rational basis on which our public resources are allocated and helps to sustain a non-contributory social security system with increasing demand. This requirement also aims to encourage new arrivals who can work to be self-reliant rather than relying on welfare assistance. It underlies the need for potential immigrants to plan carefully and ensure that they have sufficient means to be self-supporting before settling in Hong Kong. The change was one of the recommendations set out in the Task Force on Population Report published in February 2003.

13. Before imposing the residence requirement under the CSSA Scheme on 1 January 2004, the Government had consulted the public, Legislative Council, various advisory committees, chairmen and deputy chairmen of district councils. It should be pointed out that children aged below 18 are exempted from any prior residence requirement in apply for CSSA.

14. For residents in genuine hardship, the Director of Social Welfare (DSW) can exercise discretion to waive the residence requirement for social security benefits. In 2004-05 and 2005-06, the DSW approved 230 and 843 CSSA applications respectively involving people who did not meet the seven-year residence requirement. Each case is considered on its own merits. The main factors considered include:

- (a) the applicant's means of livelihood since arrival;
- (b) the cause of present hardship;

- (c) resources available and other possible private sources of help in Hong Kong;
- (d) whether other forms of assistance from the public sectors or charitable bodies are available; and
- (e) the possibility of the applicant returning to his/her place of origin.

15. Whether an application is approved or rejected, the applicant will be informed in writing of the result of his application as well as his right to lodge an appeal with the Social Security Appeal Board (SSAB) if he is not satisfied with the decision made by the SWD. The SSAB is an independent body whose members are all non-officials appointed by the Chief Executive.

16. All along, the Administration is committed to providing care for the needy and the disadvantaged. The CSSA is the safety net of last resort to cover the basic needs of those in need. Moreover, where there are proven needs and in accordance with respective eligibility criteria, other forms of assistance are available to new arrivals irrespective of their length of residence in Hong Kong. These include employment support services, emergency relief, temporary grants from charitable trust funds to tide over special and emergency situations, medical waiver, child care services, assistance in kind, etc.

New Dawn Project

17. In order to empower CSSA single parents / child carers with the youngest child aged between 12 to 14 to achieve self-reliance and social integration through engagement in employment as early as possible, the SWD has launched the 'New Dawn' Project. From 1 April 2006, employment assistance is provided to assist these single parents/child carers to seek at least part-time job.

18. NGOs are commissioned to run Intensive Employment Assistance Projects (IEAPs) to provide participants who have no or limited working experience with various kinds of employment assistance services such as basic skills and skills upgrading training, employment counselling, job

matching and post-placement support services to help enhance their employability and ability to sustain employment.

19. The initial result of the New Dawn Project is encouraging and it shows that the project can help the recipients achieve self-reliance. As at 31 August 2006, a total of 5 166 target CSSA recipients participated in the Project (including 3 309 single parents (64%) and 1 857 child carers (36%)). 1 870 participants received services provided by IEAP operating agencies of New Dawn Project within the first five months and 470 participants (9.1%) found paid job entailing not less than 32 working hours per month. We have commissioned a research team from the University of Hong Kong to conduct a study to evaluate the New Dawn Project and the Study is targeted to be completed by June 2007.

Universal Retirement Protection (Recommendation (u))

20. The current approach adopted by Hong Kong in providing financial assistance to the elderly has taken into account of the three-pillar approach on retirement protection advocated by the World Bank. This includes:

- (a) setting up a safety net, managed by the Government and funded by tax revenue, for the needy elders, i.e. the CSSA scheme and the Old Age Allowance (OAA);
- (b) providing a mandatory retirement savings scheme managed by private institutions for the working population, i.e. the Mandatory Provident Fund (MPF) scheme; and
- (c) encouraging the public to save up and take out insurance policies.

21. Presently, a total of 190 000 elderly are receiving CSSA as well as related special grants and supplements, while more than 460 000 people are receiving OAA which is payable to eligible elderly aged 65 or above to cater for their special needs due to old age. The expenditure concerned accounts for 6.3% of the total government recurrent expenditure in 2005-06.

22. The Government has also built up a vast safety net, providing special care and heavily subsidised services to the elderly in medical and housing policies.

23. To meet the challenges posed by an ageing population, the Administration recognizes the need to ensure that the existing three pillars of retirement protection are financially sustainable in the long run, and to strengthen these pillars. The Administration has engaged consultant teams to research into the sustainability of the existing pillars of retirement protection and to explore ways to strengthen them.

Reviewing the Co-operative Society Ordinance (Recommendation (i))

24. We have met the co-operatives and potential co-operatives. We understand that their main difficulties lie in maintaining business viability, lack of start-up capital, insufficient experience and professional knowledge in starting and running a business. .

25. We note in this regard, the Commission on Poverty is launching a series of initiatives to promote the development of social enterprises. This includes, among others, allocation of funds to provide support for social enterprises, further facilitating social enterprises to bid for Government contracts, nurturing social entrepreneurs, and extending the existing support measures for small and medium enterprises to cover social enterprises.

26. As social enterprises may operate in the form of co-operatives, we believe that the above facilitation measures can address the major concerns raised by co-operatives and potential co-operatives. With regard to the legal framework, we note that co-operatives are one form of social enterprises. We will examine whether amending the Co-operative Societies Ordinance (Cap.33) is the best way forward, or if it is more appropriate to establish a new legal form like the Community Interest Companies (CIC) in the U.K. to facilitate the development of social enterprises.

Promotion of Women's Interest and Well-being – Gender Mainstreaming and Public Education (Recommendations (q), (s) and (t))

27. The Government is committed to the promotion of gender equality, and has been working closely with the Women's Commission (WoC) to advance women's well-being and interests in all aspects. As the central mechanism on women issues, WoC has been playing a strategic role in enabling women to fully realize their due status, rights and opportunities in all aspects of life through its three-pronged strategy of providing an enabling environment, empowering women and public education.

28. In particular, the Government has taken gender mainstreaming as a key strategy in providing an enabling environment to ensure that women and men have equitable access to, and benefit from, society's resources and opportunities. Since 2002, with the assistance of the WoC, the Government has applied the Gender Mainstreaming Checklist developed by the Commission to 19 policy or programme areas. We will continue to introduce the use of the Gender Mainstreaming Checklist in more policy areas on an incremental basis.

29. As part of our efforts to further the implementation of gender mainstreaming, the Government supported the WoC's initiative to publish a booklet in January 2006 to consolidate the Government's experience in applying gender mainstreaming. Besides, a core group of designated "Gender Focal Points" has been set up last year to devise plans to further promote gender mainstreaming within their respective organisations.

30. The Government has also provided training to civil servants on a regular basis to enhance awareness of gender-related issues. To date, over 1,200 civil servants of various grades and ranks have received such training. A briefing on gender mainstreaming for Principal Officials and Heads of Departments was conducted in September 2005 and a similar seminar for Members of the Legislative Council in November 2005. We will continue to provide training on gender-related issues to different levels of civil servants, from senior officials involved in the formulation of policies, to frontline colleagues who are involved in the delivery of the services.

31. On gender education, the Government and the WoC continue to work together to carry out public education and publicity programmes to reduce gender prejudice and stereotyping, as well as to raise public awareness of women-related issues. These include, amongst others, production of a TV drama series and Announcements in Public Interest.

32. Apart from the educational and publicity efforts targeted at the general public, the WoC also promotes gender awareness in school education. It has maintained regular dialogue with the Education and Manpower Bureau and provided advice on the development of the curriculum from the gender perspective, in order to promote gender awareness and reduce gender stereotyping of students in their early stages of life and to make a sustainable impact.

Health, Welfare and Food Bureau
November 2006