

For discussion
on 9 May 2005

LEGCO PANEL ON WELFARE SERVICES

Policy on Assisting Women in Poverty

PURPOSE

This paper informs Members of the policies, strategies and measures to address the needs of women in poverty.

BACKGROUND

2. Poverty among women is a complicated issue. There are different views in the academics circle and international arena on the definition, measurement and measures for the issue. In Hong Kong, there was a difference of \$2,000 (18.2%) between the median monthly income of women and men, HK\$ 9,000 for women and HK\$11,000 for men in 2004 (excluding foreign domestic helpers). The figures were the same in 2003 whereas the difference in 2001 and 2002 was 16.7% and 20.8% respectively. There were also more women in the low-income group. Among those earning less than HK\$5,000 a month (i.e. half of the overall median monthly income), 62% were women in 2004, slightly less than the figure of 66% in 2001(excluding foreign domestic helpers). Factors contributing to such differences may include job segregation between women and men, family responsibilities of women, education attainment and work experience etc.

3. The Government is concerned about the issue of women in poverty. The subject is cross-disciplinary, requiring actions from

various bureaux and departments. Various commissions are also involved in addressing the issue, including the Commission on Poverty, the Women's Commission and the Equal Opportunities Commission. To handle this complicated subject, we should have more thorough and in-depth discussions with different sectors from the perspectives of considering women's concerns, ensuring equal opportunities, providing retraining and employment related services, as well as provision of welfare services (such as child care services). We also provide a safety net for those in need.

POLICIES, STRATEGIES AND MEASURES

Catering the Special Needs of Women

4. The Government set up the Women's Commission (WoC) on 15 January 2001 as a high-level central mechanism to advise us on a strategic overview of women issues. The Commission had adopted a three-pronged approach to promote the interests and well-being of women in Hong Kong, including providing an enabling environment for women, empowerment of women and public education. On the advice and with the support of the Women's Commission, the Government has put in place, amongst others, measures for promoting gender mainstreaming since 2001, with a view to incorporating women's, as well as men's, needs and perspectives in policy making within the Government.

5. We have developed a gender mainstreaming checklist, as an analytical tool to help government officials to implement gender mainstreaming in a systematic manner. The Checklist was launched in selected policy areas. So far, the Checklist has been applied to 14 policy areas/programmes ^(note 1). The Government will continue to roll out the Checklist to more policy areas/programmes on an incremental basis.

^(note 1) including the health care reform, the enhanced home and community care service for the elderly, family education, the secondary school places allocation, the District Council review, the review of advisory and statutory bodies, information technology education in the community, the design of facilities in public buildings, the provision of public toilets, review on provision of sanitary fitment for female, major publicity campaigns of Information Services Department, the publicity programme on electricity and gas safety, the review of composition of advisory committees of the Office of Telecommunications Authority (OFTA), and its consumer education programmes.

6. In order to facilitate implementation of gender mainstreaming, we have also set up a gender focal points network within the Government. All bureaux and departments have designated a senior officer (a directorate officer in most cases) as focal points in their respective organisations.

7. Gender-related training is organised to enhance civil servants' sensitivity towards gender issues and women's concerns, so as to facilitate their taking into consideration gender perspectives in their work, including policy making and providing services to the community. As at April 2005, we have provided gender-related training to over 1, 000 civil servants through a total of 30 workshops/seminars. We will continue to provide gender related training in 2005-06.

8. Plans are also in hand to develop an evaluation mechanism on the gender mainstreaming initiatives to evaluate the process and results.

Protection of Women against Discrimination in Employment

9. The HKSAR Government is committed to eliminating all forms of discrimination on the ground of sex. For protection of women against discrimination in the employment field, legislation has been in place in the form of the Sex Discrimination Ordinance (SDO) and the Family Status Discrimination Ordinance (FSDO) from 1996 and 1997 respectively. If a woman considers that she is being discriminated against unlawfully on the terms and conditions of employment because of her sex, she may lodge a complaint with the Equal Opportunities Commission (EOC). In the past three years (i.e., from 2002 to 2004), the number of female complainants who have lodged employment-related complaints to the EOC under SDO were 278, 335 and 168, whereas those under FSDO were 16, 47 and 10 respectively.

10. The EOC is also tasked to promote equal opportunities and to work towards elimination of discrimination through public education. Community outreach programmes organised by the EOC in recent years include the Community Participation Funding Programme, community roadshows and Equal Opportunities Expo. The EOC has also issued Codes of Practice on Employment under the SDO and FSDO, quarterly

newsletters and Equal Opportunities Essentials Kit for small to medium enterprises.

11. The principle of “equal pay for equal work” and “equal pay for work of equal value” (EPEV) has already been covered by the SDO. With regard to the issue of EPEV, the EOC is now in the process of mapping out a strategy to take this complex subject forward.

12. The Government has since 1998 published the “Practical Guidelines for Employers on Eliminating Age Discrimination in Employment” and “Eliminating Age Discrimination in Employment - A Simple Guide to Employers” to encourage employers and employment agencies to take the initiative to ensure that no employees or job seekers will be subject to different or unfair treatment on the ground of age. To bring home the message of equal employment opportunities, an Announcement of Public Interests entitled “Count on Talent Not Age in Employment” has been produced and screened at local TV channels, MTR platforms and on buses, as well as broadcast on local radio stations.

Retirement Protection

13. The Mandatory Provident Fund (“MPF”) System has been fully implemented in Hong Kong since 1 December 2000. Its objective is to assist members of the workforce, no matter male or female, to accumulate financial resources during employment for their retirement protection. It is the present legal requirements that unless specifically exempted by the law, all members of the workforce, no matter male or female, have to participate in MPF schemes.

14. The MPF System is an employment-based retirement protection system. It is in line with the “three pillars” for old age protection recommended by the World Bank in its research report . With the implementation of MPF, complemented by personal savings and the social security schemes operated by the Government, Hong Kong now has in place all the three pillars for old-age protection.

(note 2) The “three pillars” are –

- (i) a publicly managed, tax-financed social safety net for the aged;
- (ii) a privately managed, mandatory contribution scheme; and
- (iii) voluntary personal savings and insurance.

15. Currently elders with financial difficulty, regardless of sex, can receive Comprehensive Social Security Allowance (CSSA). Other forms of financial assistance is available from the Old Age Allowance (OAA), which is to meet needs of old age, and Disability Allowance (DA), which is to meet needs arising from disability. OAA is non-means tested for elders aged 70 and above, while DA is totally non-means tested. These constitute the first pillar of the 3-pillar model for retirement protection advocated by the World Bank.

16. To explore further the adequacy and long-term substantiality of the three pillars, the Central Policy Unit (CPU) is conducting research to examine the related issues. An Expert Panel on Financial Security in Old Age (the Panel) has been formed to develop a research agenda on financial security of old age. The Panel is chaired by Professor Nelson Chow of the Department of Social Work and Social Administration of the University of Hong Kong, and comprises expert members in the field with attendance from the Financial Services and the Treasury Bureau, the Health, Welfare and Food Bureau and the Economic Analysis and Business Facilitation Unit. A number of research projects will commence soon under the steer of the Panel, initial results of which are expected to be available by early next year.

Community Economy

17. Some have proposed that the Government review the Co-operative Societies Ordinance to help the disadvantaged groups to run their own businesses, as part of the Government's initiative to help promote the community economy. We understand that the concerns of the co-operatives/potential co-operatives of social enterprise nature go beyond the legislative requirements of the Ordinance. We would be meeting some co-operatives to better understand their concerns and consider how best their concerns can be addressed.

Welfare Support

18. Besides, the Government provides a wide range of subsidised services for the needy, including women in poverty, such as public housing, medical services, education and social welfare support. There

is also a safety net to provide financial assistance to meet the basic needs of the families.

19. The Government has all along attached importance to the service needs of women from different backgrounds, including those who are single parents or with low-income. We have been reviewing and re-engineering services for them to enhance efficiency and effectiveness.

20. Examples of our welfare support to the needy women are set out below.

Family Services

21. There are at present 61 Integrated Family Service Centres (IFSCs) over the territory to provide family support services to the needy, including women and single parents. Services include counselling services, support groups and programmes, with the aim of assisting individuals and families in building up self-confidence and developing proper values, enhancing parents' skills in parenting and strengthening their skills in problem solving and stress management. To cater for the needs of women who need to work or take care of their families during day-time, the service hours of the IFSCs would be extended to evenings during certain evenings of a week.

Child Care Services

22. To encourage parents of low-income families (including women and single parents) to seek jobs so as to attain self-reliance, aided day nurseries and crèches are set up by the Social Welfare Department (SWD) through non-governmental organisations (NGOs) to provide flexible services for families in need of child care support for their children aged under six.

23. Ancillary services such as extended hours service and occasional child care service are available to cater for the special needs of the parents, for example, for parents with long working hours or having sudden commitments. At present, there are 108 aided nurseries providing 1,518 places for extended hours services, with 56% take-up rate. Low-income families with a social need to place their children in

full day care can also receive financial assistance through the Fee Assistance Scheme for Child Care Centres.

After School Care Programme Services

24. To encourage women and others to work, NGOs operate After School Care Programme to provide half-day supportive care services for primary pupils aged six to twelve. Families with income below 75% of the median household income would be given subsidy by SWD so that they would be granted half or full fee waiving for such services.

25. To strengthen support to the needy families, including women in poverty, we have increased the provision for providing fee-waiving places from \$10 million a year to \$15 million from 1 April 2005, thereby increasing the number of full fee-waiving places by 50% from 830 to 1245. This would encourage more needy parents, including women, to work.

Social Security

26. All local residents of the Hong Kong Special Administrative Region, irrespective of their sex, enjoy the right to social security. Our social security policy aims to meet the basic and essential needs of the disadvantaged, including the financially vulnerable, the elderly and the severely disabled. This is achieved through a comprehensive social security system administered on an entirely non-contributory basis. The CSSA Scheme and the Social Security Allowance (SSA) Scheme (including OAA and DA) are the two prominent features of the system.

27. As at end of 2004, there were around 540 000 CSSA recipients, 460 000 OAA recipients and 110 000 DA recipients, of which women took up 52%, 55% and 51.2% respectively. Among these CSSA cases, the unemployed caseloads involved around 99 000 recipients of whom 46% were women, whereas the low earnings caseloads involved around 50 000 recipients of whom 52% were women. Able-bodied recipients, regardless of sex, are provided with employment assistance under the Support for Self-Reliance measures to help them find work, and become self-reliant.

28. Under the CSSA scheme, a higher standard rate and a monthly supplement are also provided to single parent families, which are mostly female headed (82%), to meet their needs. As at end of February 2005, there were around 40 000 CSSA single parent family cases.

29. In addition to the higher CSSA payments, the Social Welfare Department has implemented the Ending Exclusion Project since March 2002, which is a voluntary scheme to provide employment assistance and other childcare and support services to CSSA single parent families with the youngest child aged below 15, to help them overcome social exclusion.

30. We are currently undertaking a review on the arrangements and services for CSSA single parents, with the objective to help the single parents become self-reliant and rejoin the community as soon as possible. We expect to present the results of the single parent review to Legislative Council later in the year. The 7-year residence requirement for CSSA was introduced in 2004 as part of the recommendations of the Population Policy Task Force, aimed at ensuring a rational basis for the allocation of heavily subsidized public benefits. For those who are in genuine financial difficulty and cannot meet the 7-year requirement, the Director of Social Welfare can exercise discretion to waive the requirement. The guidelines for exercising discretion have been clearly set out in a booklet distributed to applicants.

Community Investment and Inclusion Fund

31. The Government established the \$300 million Community Investment and Inclusion Fund (CIIF) in 2002 to support projects which aim at, amongst others, empowering women in poverty through cross-sectoral partnerships and mutual help so as to increase their confidence and ability in seeking employment and facing life adversities. A total of 17 projects for assisting women have so far been approved under the CIIF, involving \$14.5 million. These projects aim at changing the needy women from passive service recipients to active participants socially and economically. This would increase the chance for women in poverty to be more self-reliant.

32. One of these projects, for example, has helped a group of

middle-aged unemployed women without formal education or work experience in Kwun Tong to become, after training and empowerment, “quality post-natal carers” with their own income. Within the first 2 years of the project, 80 of these women have gained financial independence, earning over \$3 million in total. They are now in the process of forming a self-management and self-financing co-operative.

Training and re-training

33. Government provides various subsidised opportunities for our working population to pursue continuing education or training. These opportunities are open to all eligible persons, irrespective of gender. Some examples of these opportunities include vocational education courses offered by the Vocational Training Council (VTC), industry specific courses under the Skills Upgrading Scheme (SUS), the subsidy provided under the Continuing Education Fund (CEF), as well as the retraining courses offered by the Employees Retraining Board (ERB). Women with different background and needs would be able to benefit from these various subsidised continuing education and training opportunities.

a) Vocational Education and Training

VTC provides vocational education and industrial training from basic craft level to higher diploma level for secondary 3, secondary 5 and secondary 7 school leavers as well as young people in employment in order to assist them in acquiring skills and knowledge to enhance their employability. The Clothing Industry Training Authority offers certificate to diploma levels of clothing and footwear training courses to secondary 3 and secondary 5 school leavers who want to join the clothing industry. The Construction Industry Training Authority provides basic craft level to construction supervisory level of training to the secondary 3 and secondary 5 school leavers. Admission to the above programmes is irrespective of gender.

b) Employees Retraining Board

ERB provides retraining to displaced workers (targeted at those

aged 30 or above with Secondary 3 education or below) to enhance their employability. Since its establishment, till end of March 2005, over 940 000 retrainees have benefited from various retraining courses.

The retraining programmes are provided by a territory-wide network of accredited training bodies experienced in vocational training. All full-time courses are free of charge. Retrainees taking part-time or evening courses are required to pay a course fee amounting to 20% of the training costs. For unemployed or low-income persons (including those on CSSA) with monthly income at \$6,333 or less, they can apply to waive course fees subject to a commitment of achieving an 80% attendance rate.

Admission to the retraining programmes is irrespective of gender. In fact, 80% of the retrainees are women and retraining courses such as those on local domestic helper, clerical, computer, security/property management, health care/personal care, retail and beauty care/hairdressing are welcomed by the female retrainees. For the placement-tied full-time courses, the average placement rate of the female retrainees is 82%, which is higher than the standard (70%) set by ERB.

c) Skills Upgrading Scheme

Government launched SUS in September 2001 to help low skill and low education employees to adapt to economic restructuring. The HK\$400 million Scheme aims to provide targeted skills upgrading training to these elementary in-service workers. The Scheme has covered 22 industries since its inception and more than 115 000 in-service workers have benefited as at end March 2005. Female trainees participation rate is more than 70% especially for industries such as clothing and textile, import/export, retail, beauty care and elderly care.

d) Continuing Education Fund

The \$5 billion CEF was launched in June 2002 by Government to provide financial subsidies to those eligible applicants aged from

18 to 60 to pursue continuing education. Applicant of the Fund is eligible for a reimbursement of 80% of the course fee up to a cumulative sum of \$10,000 upon completion of the course. Of the 160 000 applications as at end March 2005, over 60% of them are women.

CONCLUSION

34. Members are invited to note the contents of the paper.

Health, Welfare and Food Bureau
Education and Manpower Bureau
Financial Services and the Treasury Bureau
Home Affairs Bureau
Labour Department
Social Welfare Department
May 2005