

**Speaking Note for Secretary for Health, Welfare and Food
at the Special Meeting of the Finance Committee
for Examination of the 2007-08 Draft Estimates
to be held on 21 March 2007**

Social Welfare

Madam Chairman and Honorable Members,

Recurrent government expenditure on social welfare in 2007-08 is \$36 billion, an increase of \$3.1 billion compared with the Revised Estimate of last year. It amounts to 17.5% of total recurrent government expenditure, which ranks second after the funds allocated to education. I shall highlight how our Bureau is going to utilise these additional resources.

Social Security

2. Both the Comprehensive Social Security Assistance (CSSA) and Social Security Allowance (SSA) Schemes provide assistance to people in need. Their combined share in the total recurrent government expenditure has increased from 7.8% in 1996-97 to 12.3% in 2006-07. The number of recipients has risen from 740 000 to 1.1 million, representing an increase of 48%. The estimated expenditure in relation to these two non-contributory schemes in 2007-08 amounts to \$24.1 billion.

3. We have completed the review of the provision of disregarded earnings under the CSSA Scheme. To encourage employable recipients to move towards self-reliance, we will raise the “no-deduction” limit for disregarded earnings from \$600 to

\$800 and relax the criteria for allowing CSSA recipients to be eligible for disregarded earnings from not less than three months on CSSA to not less than two months. The recurrent financial implications of this initiative will be about \$30 million, benefiting about 19 800 recipients.

4. Furthermore, one additional month of standard rate CSSA payments and SSA allowance will be provided, bringing benefit to over one million welfare recipients. The expenditure involved amounts to approximately \$1.5 billion. This initiative aims to share the fruits of economic prosperity with welfare recipients.

Care for the Elderly

5. The objective of our elderly policy is to help the elderly to age in the community. We provide the elderly with subsidised home-based community care and day care services. Subsidised residential care places are also made available to the elderly who are in need but cannot be adequately taken care of at home. In 2007-08, the Government's estimated expenditure on social security and elderly services, excluding public housing and public health services, will amount to \$16 billion, representing an increase of 3.7% compared with the Revised Estimate of last year.

6. An additional funding of \$150 million is provided in the Estimate to enhance support services for the elderly, which include:

- (1) allocating an additional recurrent funding of \$38 million to enhance the services for the elderly singletons or the hidden elderly;

- (2) allocating an additional recurrent funding of \$16 million to provide additional subsidised residential care places in new purpose-built residential care homes for the elderly; and
- (3) allocating a funding of \$96 million over the next four years to implement a trial scheme in two districts to provide one-stop support services to elderly dischargees.

The Elderly Commission has been advocating the concepts of “ageing in the community” and “active ageing”. The aforementioned new initiatives further help bring forward these concepts.

Combating Domestic Violence

7. Over the past few years, the Administration has already committed additional resources to strengthen the support and specialised services for victims of domestic violence. In the coming year, we will continue to devote additional resources, to reinforce the manpower of social workers in the Social Welfare Department (SWD), to enhance SWD’s 24-hour hotline, to set up a new crisis intervention and support centre, and to strengthen the service of the refuge centres for women and clinical psychological support, etc.

More Flexible Child Care Services

8. Families have various child care needs. We will allocate additional resources to enhance the development of more flexible child care services.

Rehabilitation

9. We will continue to implement various measures to facilitate full integration of people with disabilities into the community. To address the needs for early intervention, we will provide 200 more places in pre-school programme for children with disabilities. We will also provide 340 more places in residential cum day services for adults with disabilities.

10. The Government is committed to promoting mental health. With a focus on community-based programmes, we plan to implement a new Community Mental Health Intervention Project, which will adopt a multi-disciplinary approach to provide early, appropriate and outreaching intervention to persons with suspected mental health problems.

11. The Budget has earmarked about \$103 million of additional resources to implement the measures above to combat domestic violence, enhance child care and strengthen rehabilitation services.

Women's Interests

12. In 2007-08, we have earmarked \$19.8 million for promoting women's interests. We will continue to work closely with the Women's Commission to promote women's interests. About \$10 million will be allocated to continue the Capacity Building Mileage Programme over the next three years to encourage women to pursue life-long learning.

13. Madam Chairman, this concludes my opening remarks. My colleagues and I will be happy to answer questions from Members.

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