

Hong Kong College of Paediatricians
Response to
Legislative Council Panel on Welfare Services
Discussion on Child Development Fund 14th January 2008

The Hong Kong College of Paediatricians appreciates the government's objectives to promote the long term development of children in disadvantaged families and reduce inter-generation poverty. However we are concerned that the model of the use of the proposed \$300 million Child Development Fund (CDF) may not achieve the objectives outlined.

The proposal aims at children aged 12 - 16 years with priority for those aged 14 – 16. It is expected that these children will be from families receiving Comprehensive Social Security Assistance (CSSA) or full grants from the Student Financial Assistance Agency (SFAA), or those who live in households with income not exceeding 75% of the Median Monthly Domestic Household Income.

By targeting children in adolescence, it is assumed that there are already appropriate supportive measures for younger children in such families. Yet projects like the pilot Comprehensive Child Development Service in place since 2005 currently covers even less districts than the proposed CDF. There is a lack of support for low income families in child-rearing and child-care. Parents work long hours. Many have to travel long distances to and from work in order to live in relatively less expensive housing in more remote areas of Hong Kong. Such families also lack the ability and resources to cope with the demand of our education system. By the time the children reach 12 years, they are already lagging behind in their educational achievement, emotional well-being and social skills when compared with their counterparts from non-low income families.

The government does provide various subsidies via the SFAA but an assessment is required on how user-friendly are these subsidies, whether they are provided in a timely manner and whether they meet the needs of these children in an environment of rising inflation and rapid technological advancement. The focus of the proposed CDF is on “education, vocational training or skills enhancement” instead of “purely leisure or extra-curricular activities”. As we stress holistic education and development, leisure and extra-curricular activities are just as important as formal education, vocational training and skills enhancement. Children broaden their views in life, learn to socialize and build inter-personal skills through such activities which pave the way towards a successful career development and an ability to hold their future employment. Children in poverty currently do not have equal opportunities to participate in such activities – especially when they are fee-charging, require use of instruments, provision of uniforms, or entail traveling costs. The major pass-time for these children seems to be watching television confined to their cramped accommodation.

“Financial planning skills” are indeed necessary for the children and families in the best use of their limited family income even without the commitment to monthly savings. The concept of mentors for needy children / families and the participation in community services are also most worthwhile. Both are services provided by some NGOs on project basis. One of the major problems in Hong Kong is in fact how to turn worthwhile projects from ad hoc into regular services and from district-based to territory-wide provisions.

The ability of the targeted families to set aside or save \$200 per month for a period of two years is in doubt. The spirit of CSSA is to provide families with the very basic needs only. Families can hardly make ends meet especially with the recent rate of inflation in Hong Kong. Should families strive to borrow the sum with the intention of repaying the loan when they receive the matching grant plus the government incentive at the end of two years, it will defeat the purpose of children learning financial planning for their future.

The paper provided by the Administration on the proposal actually has little operative details. Much are left to non-government organizations (NGOs) which presumably will bid for the project. This allows flexibility and innovation but create difficulties regarding equity and accessibility for families. What are the criteria for being “truly deserving” and what are the “alternative arrangement” for completion of the savings are open to interpretation so that the eligibility of children / families and the ability to receive the government incentive may depend on the verbal eloquence or writing skill of the responsible worker in the NGO.

Each child who completed the programme is expected to receive \$3,000 government incentive if they saved \$200X24 i.e. \$4,800 in two years plus \$4,800 matching grant from the community to be sourced by NGOs. To be able to distribute the \$40.8 million “Special financial incentive”, \$65 million matching grant is to be found from the community and \$65 million savings from the children and families. Therefore in order for children / families to receive \$105.8 million (\$65+40.8 million) other than their own savings for use in the children’s personal development plan, the government is spending \$259.2 million (2.5 X the sum of \$105.8 million or 86.4% of the CDF of \$300 million) in training / administrative and other costs. Although children / parents and mentors may benefit from the training in the process, what the children are able to use directly from the CDF in their personal development is disproportionately small.

The proposal does not state how many children are potential beneficiaries. If one child is to receive \$3,000 of the \$40.8 million, 13,600 children could be in the scheme. The Hong Kong Council of Social Service estimates that one quarter of children live in poverty defined as low income families with a household income equal to or less than 50 percent of the median income of households of equivalent size. This is more stringent than that of the CDF proposal. As one fifth of the Hong Kong population of 6.9 million are children aged 0 – 17 years, the number of children to be covered by the scheme confined to the age group 12 – 16 years is a very small proportion of children in poverty. This is a far cry from the UK Child Trust Fund and the US Kids Investment and Development Savings Account which are for every child from birth or the Canada Learning Bond for every child at birth from low-income families. The Hong Kong CDF is taking a piece-meal, stop-gap approach coming too little and too late.

For measures to address children in poverty that will yield sustained results, we need to start with a comprehensive overview of the status of children in Hong Kong, a central databank on children’s statistics “for the development, implementation and monitoring of appropriate policies and programmes for children” as recommended by the Committee on the Rights of the Child to the Hong Kong government. We need a clear vision as to how we see our next generation, a Child Policy with directions and guiding principles and a Children Commission to ensure implementation of the policy. We can no longer dwell on lists of services we have already without attending to the quality and the outcome of such provisions if we are to see any real advancement. Child impact studies are to be carried out with any policies that have

implication on children. We can hardly claim to take the best interest of the child as our paramount concern when policy changes ignore the implication on the individual child. Examples are ample. A change in the criteria of eligibility for CSSA sees non-eligible parents living on their children's CSSA. Single parents are mandated to work or perform community services when their children reach the tender year of 12, an age when parental guidance and supervision could hardly be dispensed with while environmental and peer influences take their hold. The eligibility of children for public housing is affected by the residency status of other members in the family. The government has set up a Family Council without a specific Children Commission unlike that for the Elderly, or Women. The best interest of the child will be a rhetoric if purely subsumed under the Family Council, where as its name implies, the interest of the "family" is the focus, an interest which may not be equivalent to that of the child.

Reviewing "Strategies to avoid the loss of developmental potential" in children in the developing world which could well apply to our children from disadvantaged background, Engle et al and the International Child Development Steering Group (Lancet 2007;369:229-242) stressed that programmes should target younger children, be of "longer duration, high quality, and high intensity, and are integrated with family support, health, nutrition or educational systems and services". Our College therefore urges the government once again to take seriously the professed commitment towards the best interest of the child. In the quest for long term development of children from disadvantaged families and the alleviation of inter-generation poverty we need a more comprehensive and fundamental approach. A Child Policy and a Children Commission other than the Family Council are indispensable.