

立法會

Legislative Council

LC Paper No. CB(2)2407/07-08

Ref : CB2/PL/WS

Report of the Panel on Welfare Services for submission to the Legislative Council

Purpose

This report gives an account of the work of the Panel on Welfare Services during the 2007-2008 Legislative Council (LegCo) session. It will be tabled at the Council meeting on 2 July 2008 in accordance with Rule 77(14) of the Rules of Procedure.

The Panel

2. The Panel was formed by a resolution of the Council on 8 July 1998, and as amended on 20 December 2000, 9 October 2002 and 11 July 2007, for the purpose of monitoring and examining Government policies and issues of public concern relating to welfare services matters.
3. The terms of reference of the Panel are in **Appendix I**.
4. The Panel comprises 13 members, with Dr Hon Fernando CHEUNG Chiu-hung and Hon CHAN Yuen-han elected as Chairman and Deputy Chairman respectively. The membership list of the Panel is in **Appendix II**.

Major work

Strategy and measures to tackle family violence

5. The Subcommittee on Strategy and Measures to Tackle Family Violence formed under the Panel held four meetings between October 2007 and June 2008. The issues discussed included the prosecution of abusers in cases involving domestic violence, the progress of implementation of the improvement measures on handling domestic violence cases by the Police, the findings of the Pilot Project on Batter Intervention Programme and the implementation of the Pilot Project on Child Fatality Review. The Subcommittee has submitted its report to the Panel.

Elderly services

6. Notwithstanding the ageing population and the problem of elderly in poverty, members considered that the Administration had not set out concrete measures for enhancing services for the elderly in the 2007-2008 Policy Address and the Policy Agenda. As such, the Panel decided to form a subcommittee to follow up their concerns with the Administration.

7. The Subcommittee on Elderly Services formed under the Panel held seven meetings between November 2007 and June 2008. The Subcommittee concluded its work in June 2008 and put forward a number of recommendations, as detailed in its report to the Panel, for the Administration's consideration. Issues discussed by the Subcommittee included the financial assistance, residential care services, and community care and support services for the elderly.

Review of the Comprehensive Social Security Assistance Scheme (CSSA)

Subcommittee on Review of the Comprehensive Social Security Assistance Scheme

8. The Subcommittee on Review of the Comprehensive Social Security Assistance Scheme formed under the Panel concluded its work and submitted its report to the Panel in January 2008. Notwithstanding that the Subcommittee had held 21 meetings with the Administration to examine the existing arrangements of the CSSA Scheme and made a number of suggestions for its consideration, the Subcommittee noted that the Administration had not heeded the requests. The Subcommittee expressed regret at the Administration's negative stance. To enable Members and the relevant public officers to consider the proposals put forward, the Chairman of the Subcommittee, who was also Chairman of the Panel, moved a motion for debate at the Council meeting on 20 February 2008 urging the Administration to take note of the Subcommittee's report. The motion was carried.

Adjustment of CSSA payments

9. The Panel discussed a number of financial proposals relating to the adjustment of CSSA payments, including an upward adjustment of the standard payments under the CSSA Scheme and the Disability Allowance (DA) under the Social Security Allowance (SSA) Scheme, and the welfare-related initiatives under the 2008-2009 Budget.

10. Members were supportive of the funding proposals. However, some members considered that the proposal to increase the standard payment rates of CSSA and DA rates by 2.8%, in accordance with the annual adjustment mechanism, was inadequate for CSSA recipients to meet their daily living at times of high inflation. They strongly urged the Administration to make adjustments to the CSSA rates ahead of the next annual adjustment cycle and conduct a comprehensive review of the CSSA Scheme expeditiously.

11. The Administration stressed that the existing adjustment mechanism of the CSSA standard payment rates had been working effectively, and it did not see the need for a change. The Administration would monitor closely the Social Security Assistance Index of Prices (SSAIP) movement, and consider seeking the Finance Committee (FC)'s approval for making adjustments to the standard payment rates of CSSA ahead of the next annual adjustment cycle if the movement in SSAIP and other economic indicators pointed to persistent high inflation.

12. Members expressed dissatisfaction at the Administration's reluctance to review the adjustment mechanism for social security payments. At the meeting on 12 November 2007, members passed a motion urging the Administration to adjust CSSA rates according to the year-on-year movement of SSAIP of the latest month and make adjustments once every half year.

13. The Panel was advised in March 2008 that to ease the impact of rising prices on CSSA households, the Administration proposed to provide one additional month of CSSA standard rate payments for CSSA recipients and one additional month of allowance for DA recipients. It also proposed to take into account the movement of SSAIP up to April 2008 and adjust the CSSA standard payment rates in accordance with the existing mechanism ahead of the normal schedule in 2008. The funding proposal was considered and approved by FC on 6 June 2008.

Rent allowance under the CSSA Scheme

14. Rent allowance is payable as a standard special grant to all CSSA recipients to meet the cost of accommodation. The amount of the allowance is the actual rent paid or the prescribed maximum level by household size, whichever is the less. Members noted with concern that some 22 000 CSSA households living in private housing were paying rent higher than the maximum levels of rent allowance (MRA). Consequently, they had to use part of their CSSA standard payments to meet the rental. In view of the recent rapid rise in private housing rental, members asked the Administration to review the adjustment mechanism for rent allowance and MRA.

15. The Administration advised the Panel that it would not be prudent to use public money to guarantee an increase in MRA to keep pace with the actual rental paid by CSSA households in the private housing rental market. Individuals or families with genuine and pressing housing problems which could not be resolved on their own might apply to the Social Welfare Department (SWD) for allocation of public rental housing flats under compassionate rehousing.

16. Members were of the view that the arrangement of compassionate rehousing could not meet the imminent housing needs of CSSA households in the light of the small number of successful applications. Moreover, some CSSA households preferred to live in private housing owing to proximity to work. As a matter of principle, the CSSA recipients should not have to top up the actual rent payment by making use of the CSSA standard payments. Members urged the Administration to take immediate action to assist those CSSA households who were paying rent higher than MRA, and to increase the supply and shorten the waiting time for public rental housing flats.

Support measures for low-income group at times of high inflation

17. The Panel had examined the inflationary pressures on the low-income group, having regard to the surge in food prices. Members were very concerned that many low-income people and CSSA recipients were forced to buy less food or buy food products of poorer quality so as to reduce their expenses on food. Some members pointed out that inflation had even affected the quality of meal services funded by Government subvention.

18. At the Panel meeting on 8 May 2008, members met with deputations to listen to their views on the impact of inflation on the provision of meal services to people in need. While noting the difficulties faced by non-governmental organizations (NGOs) in coping with the rising food costs, members were particularly concerned about the quality of meal services. Apart from taking measures to monitor the service quality of subvented NGOs, members strongly urged the Administration to adjust the subvention to NGOs having regard to the high inflation in recent months.

19. The Administration advised that under the Lump Sum Grant (LSG) subvention system, NGOs could flexibly deploy their subventions and use the LSG Reserves for meeting changing demand for services and activities related to their Funding and Service Agreements, which included meal services. In addition, NGOs might claim reimbursement of rent and rates in respect of the premises recognized by SWD for the delivery of subvented activities on an actual cost basis. For services covered by contracts, SWD paid the operators for the service provision in the form of service fees which covered all expenditures including food. The service fees would be adjusted annually with reference to the Composite Consumer Price Index. The Administration

also pointed out that SWD had issued a letter to the operators concerned reminding them to maintain the service quality of meal service in face of rising food cost.

20. The Panel held a meeting on 12 June 2008 to receive views from 23 deputations on the impact of rising food prices on low-income people. Members considered it unacceptable that the needy, including CSSA recipients, had to seek emergency assistance on basic food from welfare organizations. Members took a strong view that the Administration should take immediate measures to support the low-income group in face of inflation.

21. The Administration advised that a series of initiatives had been included in the 2008-2009 Budget to alleviate the pressure arising from inflation on the low-income group. As for the CSSA recipients, the provision of one additional month of CSSA standard payments in June 2008 and the 4.4% adjustment to the CSSA standard payment rates in August 2008, i.e. ahead of the normal schedule would be more direct and provide social security recipients (including low-income CSSA households) with the flexibility in purchasing goods and services required. The Administration further advised that at present, there were local organizations and NGOs in the community providing temporary in-kind food assistance for needy individuals or families. NGOs running such services could partner the business sector and apply for funding from the Partnership Fund for the Disadvantaged. SWD would refer interested donors to the relevant NGOs and provide every assistance as appropriate.

22. Members disagreed with the Administration that the above measures were adequate to relieve the financial hardship of the low-income group, as the issuance of food coupons and meal coupons to the needy were interim measures only. To tackle the problem at root, the Administration should conduct a comprehensive review of the CSSA Scheme expeditiously, in particular the items to be classified as basic needs for the purpose of inclusion in the standard rates. Members pointed out that under the existing adjustment mechanism of CSSA, the CSSA payments were adjusted based on the actual SSAIP movements in the previous year. The livelihood of the poor would be adversely affected during the inflationary period. As such, the interval of each adjustment cycle should be shortened so as to reflect more accurately the impact of price changes faced by CSSA recipients. Members understood that the weighting system of SSAIP was updated once every five years on the basis of the findings of the Household Expenditure Survey on CSSA households. Since the latest round of survey was conducted in 2004-2005, members strongly urged the Administration to advance the study ahead of the normal schedule.

23. The Administration agreed that it would conduct a six-monthly review of CSSA standard payment rates at times of persistent high inflation.

However, the technical feasibility of conducting the review on a quarterly basis would need to be studied further. The Administration assured members that it would monitor closely the situation and adopt a multi-pronged approach in alleviating the situation of the low-income group.

Financial assistance for needy elderly

24. The Panel held two meetings to discuss with the Administration the review of the rates of Old Age Allowance (OAA). Members were generally of the view that OAA was unable to provide adequate protection to those elders who lacked family support or retirement protection and who had not applied for CSSA for various reasons. Members strongly urged the Administration to increase the monthly OAA to \$1,000.

25. The Administration advised that OAA payment, which was non-contributory and largely non-means-tested, was not meant to be an income support for the elderly to meet their basic living. The Administration was considering carefully specific measures to provide assistance and support for those elders in financial hardship and the policy implications of these measures. A review of OAA was expected to be completed by the end of 2008. In the meantime, the Administration proposed to provide each OAA recipients with a one-off additional payment of \$3,000. The Administration stressed that it would keep an open mind on the proposals put forward by Members and the community, and would take into account the views before making a decision.

26. Members expressed dissatisfaction at the Administration's failure to accede to the strong calls from elders for an increase in the OAA rates. Members passed a motion urging the Administration to increase immediately OAA to \$1,000, raise the asset limit for the application of CSSA by the elderly to \$120,000, allow independent application for CSSA by the poor elderly who lived with their families, and establish an inter-departmental task group to implement a universal old age pension system.

Establishment of Family Council

27. Upon the announcement of the establishment of the Family Council in December 2007, the Panel held a meeting with the Administration to discuss the work of the Council. Members noted that the Family Council would seek to rationalize the work of the Elderly Commission, the Women's Commission and the Commission on Youth under the Family Council by March 2009, and it would explore ways to achieve more collaboration between the Council and the three commissions. While expressing general support for the establishment of the Family Council, members were of the view that the three commissions were performing different roles to meet the specific needs of elderly, women and youth, and should not be brought under the Family Council.

28. The Administration advised that the setting up of the Family Council aimed to establish a family-based support network and forge closer and harmonious relationship among family members. The Family Council would advise the Administration on the formulation of policies and strategies for supporting and strengthening the family as well as the development of related programmes and activities across different bureaux and departments, and monitor their implementation. Its priority issues would include identification of core family values, ways to create a pro-family environment including work environment, and ways to enhance the effectiveness and co-ordination of family education in the months ahead.

29. Members considered that the specific issues to be addressed by the Family Council involved policy considerations and impact on policy formulation. The Panel requested the Administration to revert to the Panel on the work progress of the Family Council periodically.

Licensing scheme for residential care homes for persons with disabilities (PWDs)

30. When the Panel was consulted in November 2007 on the proposals of setting up two new Integrated Rehabilitation Services Centres for PWDs, members noted that the average waiting time for a hostel for severely mentally handicapped persons in 2006-2007 was as long as 83 months. The Panel held a strong view that the provision of subvented residential care services for PWDs should be sped up to shorten the average waiting time to a reasonable time frame.

31. The Panel was updated in May 2008 on the Administration's plan to introduce a Residential Care Homes (Persons with Disabilities) Bill to the Legislative Council in the 2008-2009 session. Members took the view that the introduction of a licensing scheme for RCHDs had been long overdue and it was unacceptable for the Administration to introduce the bill into LegCo as late as in 2008-2009 session. To enhance the service quality, members strongly urged the Administration to speed up the legislative timetable for the licensing regime.

32. Members were advised that the quality of services in private RCHDs had been an issue of concern to the Government. The Voluntary Registration Scheme (VRS) for private RCHDs was introduced as an interim measure to encourage private RCHD operators to enhance their service quality. Members, however, noted that of 40 private RCHDs known to SWD, 26 had applied to join VRS of which only six met the VRS requirements. The remaining 14 private RCHDs had not yet applied to join the scheme for various reasons, including non-compliance with the VRS requirements. Members considered the progress of VRS unsatisfactory.

33. The Administration advised that on top of VRS, SWD had taken additional measures to support private and self-financing RCHDs to enhance their service quality, knowledge and skills. To ensure the quality of services in private RCHDs, members held the view that the Administration should allocate more resources for stepping up the monitoring and inspection of private RCHDs and make necessary arrangements for those residents who were currently living in private RCHDs which might not be able to meet the licensing requirements.

34. The Panel decided to write to the Chief Secretary for the Administration (CS) urging the Administration to expedite the introduction of a licensing scheme for RCHDs. In his reply, CS advised that the Administration had adopted a three-pronged approach, as set out in the newly published 2007 Rehabilitation Programme Plan, to expedite the waiting time for residential services and day services for PWDs. An additional \$33 million had been allocated for providing 490 additional residential places in 2007-2008, and SWD was actively identifying suitable premises for such places, including vacant schools and hospitals.

Child Development Fund

35. The Panel held two meetings to discuss the Administration's proposal of setting up a \$300 million Child Development Fund (CDF) to try out a new model for promoting the longer-term personal development of children from a disadvantaged background.

36. Members noted that CDF would comprise three major components, namely personal development plans, mentorship programme and targeted savings. The first batch of pioneer projects would be implemented in seven regions/districts aiming at children aged 12 to 16. Members expressed concern about the ability of low-income families to save \$200 per month for a period of two years. To help children from a disadvantaged background to get out of poverty, they considered that the Administration should enhance its support for the disadvantaged families. In the light of the financial hardship faced by the needy families, members suggested that the savings target of \$200 per month should not be set across the board, and that the Government should make matching contributions and expand the scope of CDF. Members requested the Administration to consider fully the Panel's views before submitting the funding proposal to FC.

37. The Administration advised that CDF sought to encourage children from a disadvantaged background to plan for the future. Apart from providing special financial incentive of \$3,000 for each participating child upon completion of the savings programme, the Administration had also proposed to set aside \$15,000 for the provision of training to each participating child to help

them achieve their development targets as set out in their personal development plans.

38. The Administration subsequently advised the Panel that having regard to members' views, it proposed to revise the proposal as follows –

- (a) to lower the age requirement from 12-16 to 10-16, with priority given to youngsters aged 14 to 16 as they had a more urgent need to learn how to formulate and implement their development plans;
- (b) while the seven CDF pioneer projects would involve a minimum of 700 participants, the operating NGOs would be welcome and encouraged to provide a higher number of participants in their proposals; and
- (c) while the savings target would be set at \$200 per month, participating children and their families, together with the operating NGOs, could agree to set a lower savings target.

39. Members welcomed the revised proposal and requested the Government to report to the Panel on the progress of the pioneer projects.

Comprehensive Child Development Service (CCDS)

40. During the session, the Panel was briefed on the progress on the implementation of the pilot CCDS. According to the Administration, CCDS aimed to identify and meet, at an early stage, the varied health and social needs of children aged between zero and five and those of their families. Members were advised that in view of the encouraging review findings of the pilot service, the Administration decided to regularize the pilot services and extended CCDS to Tung Chung and Yuen Long in 2007. CCDS would be extended fully to Kwun Tong in the first quarter of 2008, and further extended to Tsuen Wan and Kwai Tsing in 2008-2009. It planned to extend CCDS to all districts in phases by 2012.

41. Members took the view that the pace of extension of CCDS was too slow. The Administration advised that subject to resource availability and the operational readiness of the implementing agencies, it hoped to extend CCDS to other districts by phases. The Administration would continue to monitor the implementation of CCDS and fine-tune the CCDS model as appropriate. Members urged the Administration to allocate additional resources to expedite the plan to extend CCDS to other districts and enhance follow-up services. They would support funding proposals, if any, to bid for additional resources in this regard.

Support measures for families at risk

42. The Panel held two meetings to discuss the provision of welfare services for high-risk families in Tin Shui Wai and measures to assist the community arising from the family tragedy in October 2007, which had sparked off public concern.

43. Members considered that the crux of family problems in Tin Shui Wai was the inadequate supply of local job vacancies as a result of poor town planning. Tackling family problems in Tin Shui Wai at source required holistic and integrated social and economic policies. As such, the Administration should create more local employment opportunities and strengthen support for Tin Shui Wai residents.

44. The Administration stressed that it was always concerned with the well-being of Tin Shui Wai residents, and had introduced a number of measures to strengthen support for Tin Shui Wai. These included creating more local job opportunities in the area by further developing and promoting more tourist attractions and encouraging more companies to set up business in the area; enhancing employment services and vocational training/retraining for Tin Shui Wai residents, and organizing more large-scale job fairs in the district; advancing the timing of the review of the Transport Support Scheme, promoting mutual help and support; and strengthening neighbourhood network in the community.

45. Members considered that the measures taken by the Administration were piecemeal. The Government had yet to demonstrate its commitment and preparedness to provide long-term support for the Tin Shui Wai community. The Administration stressed that all relevant bureaux and departments were considering actively different means to further strengthen the support for Tin Shui Wai residents under the coordination of the Labour and Welfare Bureau. It would keep the Panel abreast of the progress made.

Implementation of LSG subvention system

46. In view of the strong views from the welfare sector, the Panel had time and again met with deputations and discussed with the Administration the review of the LSG subvention system. Most members took the view that the grievances expressed by the welfare sector were rooted in the implementation of the LSG subvention system. Deputations informed the Panel that some NGOs had replaced experienced staff with lower-paid contract staff in a bid to accumulate reserves to cope with financial uncertainties. Most members shared the deputations' concern and requested the Administration to ensure that NGOs on LSG would fully utilize the funding in adjusting upwards the salaries of their staff.

47. The Administration advised that the LSG subvention system provided greater flexibility for NGOs in resources allocation. The system was well received by NGOs, as evidenced by the fact that 162 out of 173 subvented NGOs had joined the LSG subvention system voluntarily. The total funding allocated to these 162 NGOs under LSG in 2008-2009 accounted for 99% of the total baseline recurrent subvention provided by SWD. The financial problems faced by some NGOs on LSG were caused by a number of factors, including the Government's cost-saving initiatives, changing community needs and higher public expectation.

48. Although the Director of Social Welfare had re-convened the Lump Sum Grant Steering Committee in August 2007 to enhance the LSG subvention system and assist NGOs in its implementation, most members expressed dissatisfaction at the Administration's reluctance to set up an independent committee to review the LSG subvention system. They urged the Administration to provide a concrete timetable for the review.

49. The Panel was subsequently advised that the Administration would implement interim facilitating measures to ease the financial difficulties faced by NGOs. The Panel was further advised that while the LSG subvention system had its merits, the Administration had taken on board the sector's views and agreed to review its effectiveness and identify room for improvement. To this end, the Administration announced on 18 January 2008 the establishment of a LSG Independent Review Committee to review the implementation of the LSG subvention system objectively, comprehensively and independently. The Committee was expected to complete the review by the end of the third quarter of 2008. It would report its findings and make recommendations to the Secretary for Labour and Welfare. The Administration stressed that it was open minded on the recommendations.

Other issues/items discussed

50. Other issues discussed by the Panel included policy initiatives in respect of welfare services in 2007-2008; progress reports on the Community Investment and Inclusion Fund and the Partnership Fund for the Disadvantaged; and staffing and funding proposals under the portfolio of the Labour and Welfare Bureau.

51. Between October 2007 and June 2008, the Panel held a total of 13 meetings.

Legislative Council

Panel on Welfare Services

Terms of Reference

1. To monitor and examine Government policies and issues of public concern relating to welfare and rehabilitation services, poverty and social enterprise.
2. To provide a forum for the exchange and dissemination of views on the above policy matters.
3. To receive briefings and to formulate views on any major legislative or financial proposals in respect of the above policy areas prior to their formal introduction to the Council or Finance Committee.
4. To monitor and examine, to the extent it considers necessary, the above policy matters referred to it by a member of the Panel or by the House Committee.
5. To make reports to the Council or to the House Committee as required by the Rules of Procedure.

Panel on Welfare Services

Membership list for 2007 - 2008 session

Chairman	Dr Hon Fernando CHEUNG Chiu-hung
Deputy Chairman	Hon CHAN Yuen-han, SBS, JP
Members	Hon Albert HO Chun-yan
	Hon LEE Cheuk-yan
	Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
	Dr Hon YEUNG Sum, JP
	Hon TAM Yiu-chung, GBS, JP
	Hon LI Fung-ying, BBS, JP
	Hon Frederick FUNG Kin-kee, SBS, JP
	Hon Alan LEONG Kah-kit, SC
	Hon LEUNG Kwok-hung
	Dr Hon KWOK Ka-ki
	Hon Mrs Anson CHAN, GBM, JP (since 14 December 2007)
	(Total : 13 Members)
Clerk	Miss Betty MA
Legal adviser	Mr LEE Yu-sung
Date	14 December 2007