

**Motion on
“Alleviating poverty and helping the disadvantaged
with care and concern”
at the Legislative Council (LegCo) meeting
on 3 February 2010**

Progress Report

Purpose

At the LegCo meeting on 3 February 2010, the motion moved by Hon TAM Yiu-chung, as amended by Hon WONG Kwok-hing, Hon WONG Sing-chi and Hon LEE Wing-tat on “Alleviating poverty and helping the disadvantaged with care and concern” was carried. The wording of the motion is at Annex. This progress report informs Members of the follow-up actions taken by the Administration.

Promoting the development of children and youths

2. Assisting children and youths from a disadvantaged background has all along been a key aspect of the Government’s poverty alleviation work. To provide needy students with more opportunities to participate in after-school activities, the annual provision of School-based After-school Learning and Support Programmes (SALSP) implemented by the Education Bureau (EDB) has been increased by \$100 million since the 2010-11 financial year. SALSP covers a wide spectrum of activities such as homework tutorials, cultural and art activities, sports activities, leadership training, voluntary services and visits.

3. In addition, the LegCo Finance Committee approved in May 2010 a start-up capital of \$500 million to adopt a two-pronged approach to help primary and secondary students from low-income families with Internet learning. Specific measures include implementation of a new cash subsidy scheme for Internet access charges to reduce the burden of the low-income families in meeting the Internet access charges for e-learning at home for their children. The scheme is estimated to benefit around 300 000 families and 410 000 students in the 2010/11 school year. In addition, the Government plans to commission a non-profit-making organisation to implement a five-year programme to help these families acquire suitable and affordable computers and Internet access, and to provide the necessary training and technical support to the students and

their parents. The organisation will roll out its services no later than the start of the 2011/12 school year.

4. As to financial assistance for students, EDB commenced in March 2010 the first phase of the review on the non-means-tested loan schemes to collect public views, over a three-month period, on how the operation of the loan schemes can be improved. The Government will consider carefully the views received and draw up recommendations for further consultation with the public under the second phase.

5. With regard to youth drug abuse, the Administration is committed to taking the lead in the anti-drug cause and working with all sectors of the community to take forward the recommendations suggested in the Report of the Task Force on Youth Drug Abuse. The Budget this year has set aside \$52 million to strengthen anti-drug work, including opening four new Counselling Centres for Psychotropic Substance Abusers, increasing the capacity in existing drug treatment and rehabilitation centres, increasing the numbers of outreaching social workers, drug sniffing dogs and Police School Liaison Officers, procuring equipment for hair drug testing, and encouraging community mobilisation, etc. The LegCo Finance Committee also approved in May 2010 the injection of \$3 billion into the Beat Drugs Fund to support anti-drug organisations, community stakeholders and schools in the fight against youth drug abuse, bringing the anti-drug campaign to a community-wide level. The Narcotics Division has commissioned a research organisation to undertake a comprehensive assessment of the Trial Scheme on School Drug Testing in Tai Po District, which is scheduled for completion in the third quarter of the year. The Administration will study the research findings, communicate with stakeholders and work out the way forward for school drug testing. Separately, the Government Laboratory has successfully developed the hair drug testing method and obtained accreditation. A pilot scheme was launched in June this year, offering free testing services to interested parties providing drug treatment and rehabilitation and youth services.

Promoting youth employment

6. In addition to taking care of youths at school, the Government also provides training and retraining, as well as various employment support programmes for young people.

7. Applications for the 2009-10 Youth Pre-employment Training Programme and Youth Work Experience and Training Scheme commenced on 14 August 2009. By the end of May 2010, the Labour Department (LD) had received over 14 400 applications. To step up our efforts to help young people with acute employment difficulties, LD will launch by the end of this year a targeted employment programme under which non-governmental organisations will provide training and internship for 12 months to young people aged 15 to 24 with low educational qualifications, who need special assistance because of emotional / behavioural problems or learning difficulties. The programme will provide 500 places, involving an estimated expenditure of \$33 million.

8. The LegCo Finance Committee approved in May 2010 funding of \$100 million to the Construction Industry Council to implement a series of one-off measures, including providing incentives to attract more youngsters to receive training and re-training in the industry so as to address the ageing problem and skills mismatch in the construction workforce, and to help enhance the skills and competitiveness of in-service construction workers.

The six priority industries

9. To support the development of the six priority industries, the Vocational Training Council (VTC) and various tertiary institutions have been offering programmes to nurture talents. For example, VTC will provide 310 additional places in the 2010 school year in its higher diploma programmes on testing and certification as well as environmental and related studies. Upon commissioning of its new campus in Tseung Kwan O in the 2010 school year, the Hong Kong Design Institute will provide about 4 500 places for training design students. The Hong Kong Baptist University has also established an Academy of Film recently, while various design and creative media programmes will be launched at the end of this year by the Hong Kong campus of the Savannah College of Art and Design to help nurture more creative talent for Hong Kong.

10. The Government has commenced another round of manpower projection to assess the future manpower supply and demand in Hong Kong at the macro level. The projection will cover all the economic sectors and occupational groups in our economy, including the six priority industries. The relevant policy bureaux / departments will

implement appropriate measures and ensure the provision of suitable training in the light of the findings so that there will be sufficient manpower and professionals to meet the developmental needs of the six priority industries.

Training courses for fishermen during fishing moratorium

11. The Agriculture, Fisheries and Conservation Department (AFCD) had rolled out four free training courses related to the fisheries industry for fishermen during the fishing moratorium in the South China Sea from mid-May to the end of July 2010. AFCD has arranged more courses to meet the demand having regard to the high enrolment rate. Trainees in the two completed courses were satisfied with the course arrangements.

12. In addition, noting that some fishermen may consider changing career, the Employees Retraining Board (ERB) liaised with AFCD and rolled out, on a pilot basis during the fishing moratorium this year, four existing ERB courses that AFCD identified as suitable for fishermen considering a change of career. However, by the application deadline at the end of March 2010, AFCD had only received three applications. As the number of application was smaller than the minimum number required for launching a class, ERB had followed up with the three applicants and recommended other suitable courses for them. To better understand the fishermen's training needs and views, AFCD completed an opinion survey in April 2010 and found that of the 61 respondents, only seven expressed interest in joining ERB retraining courses which aimed at assisting them in switching jobs, and that fishermen in general had little interest in enrolling into the relevant training courses at this stage. AFCD will keep in touch with the fishermen to understand their training needs.

Transport subsidy

13. The existing Transport Support Scheme (TSS) aims to encourage needy job seekers and low-income employees in remote districts with fewer local employment opportunities to "go out" to seek jobs and work across districts. The Labour and Welfare Bureau is conducting a study on ways to reduce the burden of travelling expenses borne by the working poor. We are collating and examining relevant information. We expect to complete the study before the end of 2010

and come up with specific proposals. We will then consult the relevant LegCo panel(s). The Financial Secretary has undertaken to make suitable financial provisions depending on the findings of the study. The existing TSS will remain in force before completion of the study.

Recruitment and the use of agency workers in the Government

14. Bureaux and departments have since December 2008 expedited the recruitment of civil servants. By the end of March 2010, about 8 500 vacancies had been filled. As regards the use of agency workers in bureaux and departments, the Civil Service Bureau, after consultation with the LegCo Panel on Public Service and departmental management, issued detailed guidelines in April 2010 to all heads of departments on the use of agency workers. The guidelines cover, amongst other things, the scope of use and wage requirement for agency workers.

Supporting elders

15. The Government has been devoting significant amount of resources to increase the supply of residential care places for elders. In the Budget this year, the Financial Secretary further announced that additional resources would be allocated to provide a total of about 1 000 additional subsidised places through a novel multi-pronged approach. In the next four years, six new contract residential care homes for the elderly (RCHEs) will come into operation. Furthermore, the Social Welfare Department (SWD) has earmarked 11 sites for the construction of new contract RCHEs. With a view to further strengthening the capability of RCHEs in drug management and enhancing their quality of care, the Government launched a three-year pilot scheme in June 2010 to provide RCHEs with visiting pharmacist services.

16. The Government will continue to help elders age in place through different means. For instance, the pilot scheme on home care services for elders will provide more personalised home care services for elders who are waiting for nursing home places. Over the next two years, we will also increase the number of day care places for the elderly by 115 to a total of 2 429. The opening hours of these centres are from 8am to 6pm every Monday to Saturday. Some centres have flexibly extended their opening hours to cater for the needs of individual elders.

17. The Food and Health Bureau (FHB) will conduct an interim review this year on the Elderly Health Care Voucher Pilot Scheme to assess the effectiveness of the scheme and its operational arrangements including its scope, and also consider the suggestion to adjust the age limit and the voucher amount. The Administration will also conduct surveys to gather feedback from both elders and healthcare providers. The Financial Secretary has undertaken to provide necessary resources subject to the review findings. FHB will conduct a full review on the scheme after the three-year pilot period.

18. The Government also attaches great importance to the physical and mental health of elders. In 2009-10, the Leisure and Cultural Services Department (LCSD) rolled out 3 800 free recreation and sports programmes specially organised for the elderly in which 340 000 elders participated. In 2010-11, the number of such programmes will increase to 3 850. We expect them to benefit about 350 000 elders.

Social Security Allowance Scheme (SSA Scheme)

19. The SSA Scheme comprises Disability Allowance (DA) and Old Age Allowance (OAA) which help Hong Kong residents who are severely disabled and who are aged 65 or above meet their special needs arising from severe disability or old age respectively. Since the SSA Scheme is not meant to provide financial assistance to help recipients meet their basic needs, it is largely non-means-tested. Under the prevailing requirements, an applicant who is eligible for both DA and OAA can only choose to receive either of these two allowances. This is to avoid double benefits and ensure the sustainable development of the SSA Scheme.

20. Since the SSA Scheme is a non-contributory social security scheme funded entirely by general revenue, it is necessary to impose a limit on absence from Hong Kong to ensure that public funds are spent on Hong Kong residents who take Hong Kong as their place of permanent residence. At the same time, an absence period is permissible under the SSA Scheme to allow the elderly to take up short-term residence on the Mainland or other places. This arrangement serves to strike an appropriate balance between the proper use of public funds and the convenience of recipients. Since October 2005, the absence limit under the SSA Scheme has been increased from 180 days to 240 days a year. Recipients are eligible for the absence limit as long as they have resided in Hong Kong for not less than 90 days in a payment year. We are

examining whether the limit can be further relaxed.

Care for persons with disabilities (PWDs)

21. To cater for the special needs of PWDs, we are committed to providing them with suitable support services, and enabling them to cope with and resolve problems encountered in their daily life. With regard to financial assistance, besides DA, PWDs with financial difficulties may apply for Comprehensive Social Security Assistance (CSSA). At present, the CSSA Scheme provides higher standard rates for PWDs together with a range of supplements and special grants. These include “Grant to cover fees for Home Help Service / Integrated Home Care Service”, “Grant to cover costs of Enhanced Home and Community Care Services” and “Grant to cover costs of Community-based Support Projects for People with Disabilities and Their Families” which are for those having special care needs. For those medically certified to be in need of constant attendance, a “Care and Attention Allowance” may also be provided to cover the costs of care and attention services at home (including the cost of hiring a carer) on social workers’ recommendation.

22. In tandem, the Government strives to enhance the provision of support services to PWDs residing in the community and their carers in order to help carers discharge their family responsibilities and alleviate their stress. We have since January 2009 set up 16 district support centres for PWDs through re-engineering the community support services in order to provide one-stop service to strengthen the support for PWDs residing in the community and their family members. Furthermore, following the setting up of the first Integrated Community Centre for Mental Wellness (ICCMW) in Tin Shui Wai in March 2009, the Government will provide additional recurrent funding of \$70 million each year for expanding the ICCMW across the territory to provide district-based, one-stop and integrated community support services for persons with mental health problems and their family carers. The Government has also proposed to earmark \$163 million under the Lotteries Fund for SWD to implement a three-year pilot scheme for the provision of home-based care services for around 540 persons with severe disabilities who are living in Kwun Tong and Tuen Mun and are on the waiting lists for subvented residential care services. We believe that our existing support services can reflect social values and, compared to the provision of subsidies, can better meet social circumstances and needs. We will keep a close watch on the needs of PWDs and their carers and continue to provide them with diversified community support services

with a view to helping PWDs integrate into society.

Retirement protection

23. Improving the quality of life of the elderly so as to provide them with a sense of security, a sense of belonging and a feeling of health and worthiness has always been the Government's policy objective. The Mandatory Provident Fund Schemes Ordinance was passed by the legislature in 1995, and has taken effect since the end of 2000. This, together with the non-contributory social security system (including the CSSA Scheme and the SSA Scheme) and voluntary private savings, form the three-pillar model for retirement protection in Hong Kong.

24. In view of our ageing population, the Government is currently conducting a study on the sustainability of these three pillars, and will carefully consider the findings.

Housing

25. Adequate land supply is crucial to the stable development of the property market. With a view to further increasing the housing supply, the Financial Secretary put forward in the Budget this year two measures to fine-tune the land supply arrangement. These include introducing Government-initiated land auction or tender in a limited way whilst upholding the market-driven Application List system; and implementing a pilot scheme at a site near the West Rail Long Ping Station to increase the supply of mass market flats through specific restrictions to be imposed in the Conditions of Sale. On the former, the Lands Department held / will hold public auctions in June and July 2010 to dispose of two sites for sale. Besides, the Development Bureau has also liaised with the MTR Corporation Limited and the Urban Renewal Authority. They will continue to tender readily available sites, and will increase the supply of mass market flats in respect of the West Rail property development projects and urban renewal projects.

26. The subject of using public resources to subsidise home ownership is being debated in the community. The Government recognises that there is a need to build consensus on this important subject. It will listen to the views of stakeholders and members of the public and try to identify a way forward. The Transport and Housing Bureau is conducting an extensive consultation exercise to engage,

through various channels, stakeholders and members of the public in the discussion on issues relevant to this subject. The exercise will last until 17 September 2010.

Small library at Yat Tung Estate

27. The Tung Chung Public Library in Yat Tung Estate is a small temporary library set up to provide public library service to local residents in Tung Chung pending the provision of a permanent district library. This is an interim arrangement by LCSD in view of the population growth in Tung Chung New Town in recent years. LCSD understands the demands of residents of Yat Tung Estate for retaining library service in the estate, and hence has recently identified a non-profit-making district organisation to set up a community library at the site of the current temporary library in Yat Tung Estate to continue providing book lending, newspaper and magazine reading, internet services, etc. In addition, when the new district library in Tung Chung comes into operation, LCSD will also arrange for a service stop for Mobile Library in Yat Tung Estate.

Public utilities

28. The Government will continue to play a gate-keeping role in handling applications for increase in charges from public utilities directly affecting people's livelihood. The Administration will, on the one hand, ensure that public transport operators maintain efficient and proper public transport services for the community and, on the other hand, regulate the fares of major public transport services through well-established mechanisms to ensure that the fare levels are reasonable. Moreover, the Administration will continue to encourage public transport operators to introduce fare reduction or concession as far as possible to help reduce passengers' travelling expenses, taking into account their operating and financial conditions, the overall economic environment and the needs of the passengers.

Other measures

29. The Government understands that some citizens have yet to benefit from the economic recovery. The Financial Secretary therefore

announced in the Budget this year a series of relief measures to help the needy, including paying two months' rent for public housing tenants; providing one more month of CSSA payment, OAA and DA; reducing 75% of salaries tax and tax under personal assessment in 2009-10, capped at \$6,000; waiving the rates for 2010-11, capped at \$1,500 per quarter; and providing a \$1,000 allowance to students receiving CSSA or student financial assistance.

Labour and Welfare Bureau
July 2010

**Motion on
“Alleviating poverty and helping the disadvantaged
with care and concern”
moved by Hon TAM Yiu-chung
at the Legislative Council meeting commencing
on Wednesday, 3 February 2010**

**Motion as amended by Hon WONG Kwok-hing, Hon WONG
Sing-chi and Hon LEE Wing-tat**

That, given that at the Question and Answer Session of the Legislative Council on 14 January this year, the Chief Executive Donald TSANG Yam-kuen said that improving people’s livelihood was the Government’s priority task, and that alleviating the difficulties of low-income earners and promoting the economic development of Hong Kong to create more employment opportunities was most important in its policy implementation; as such, this Council urges the Government to take measures to alleviate poverty, help the disadvantaged and relieve the burden of the people, so as to build a more harmonious society, including:

- (a) to offer subsidies to needy school children for their participation in extra-curricular activities, and introduce an ‘extra-curricular activities grant for needy school children’;
- (b) to provide subsidies on Internet access charges for poor school children to relieve the burden of academic expenses;
- (c) for the purposes of encouraging more schools to participate in the voluntary school drug testing scheme in the future and equipping the schools early with the necessary manpower, to allocate additional resources to facilitate the provision of ‘two school social workers for each school’ and employment of more teaching assistants in all secondary schools in Hong Kong;
- (d) to provide more career counselling and support for young people, enhance training and attract them to join those industries with competitive edge, including creative, information technology and environmental protection industries, so as to improve their employment situation;
- (e) to introduce a long-term territory-wide transport subsidy scheme and simplify the application procedure concerned, so as to reduce the transport costs for low-income earners working across districts;

- (f) to abolish the absence limit in respect of application for Old Age Allowance, and allow the elderly to receive Disability Allowance and Old Age Allowance concurrently;
- (g) to continue to increase the number of subsidized residential care homes for the elderly, provide more residential and care home support for them, such as setting a reasonable carer-to-resident manpower ratio for residential care homes, and enhance community care services at the same time;
- (h) to improve medical services for the elderly by increasing the value of elderly healthcare vouchers to \$1,000 per elderly person per year and lowering the eligible age to 65;
- (i) to introduce 'recreation and sports vouchers for the elderly', and provide them with free access to facilities under the Leisure and Cultural Services Department such as exhibition halls and public swimming pools, so as to enrich their cultural life;
- (j) to set up a 'subsidy system for carers of persons with disabilities', and provide a monthly allowance of \$1,000 to the family of each person with disabilities;
- (k) to introduce additional 'chronically ill dependant allowance' and 'allowance for private medical insurance contributions', and to raise the ceiling of tax deduction in respect of elderly residential care expenses and various types of salary tax allowances in respect of dependent family members;
- (l) to introduce a 'training scheme for fishermen during the fish moratorium' to provide training courses for the affected fishermen, and to grant them an appropriate amount of subsidy to cover part of their living expenses during the moratorium period;
- (m) to relieve the burden of post-secondary students to repay loans by improving the financial assistance scheme for post-secondary students, replacing the means-tested loans with interest-free loans and lowering the annual interest rate for non-means-tested loans to 2.5%;
- (n) to enhance the land supply policy to stabilize property prices, resume the construction of HOS flats on an appropriate scale and extend the home loan interest deduction period, so as to relieve the pressure of

- housing expenses on the people;
- (o) to introduce rates relief measures to reduce the levying rates or to waive the payment;
 - (p) to freeze various government fees and charges affecting people's livelihood for a year;
 - (q) to strictly control increase in charges by public utilities;
 - (r) to allocate a funding of \$3.3 million to maintain the operation of the small library in Yat Tung Estate, with a view to providing support for some 40 000 residents in this exceptionally remote and impoverished public housing estate, in particular support to children and young people in their learning and studies, so as to solve the problem of inter-generational poverty;
 - (s) government departments to step up efforts to employ more permanent staff, make every effort to minimize the provision of manpower through employment agencies, and enhance the monitoring of employment terms and remuneration packages offered by the employment agencies, so as to reduce in their best endeavours any exploitation by the intermediaries;
 - (t) on condition that there is a sufficient supply of private residential housing, to re-launch the Home Starter Loan Scheme and increase the amount for home loan interest deduction, so as to help sandwich class people who are 'snails without a shell' (in particular working young couples) to acquire their homes;
 - (u) to increase the number of subsidized places for the elderly and extend the opening hours of day care centres for the elderly;
 - (v) in considering the provision of 'chronically ill dependant allowance' and 'allowance for private medical insurance contributions', the Government to concurrently study the impact of developing a private medical insurance system on the overall healthcare system, the regulation of private medical insurance systems in overseas countries, as well as the feasibility of implementing a central medical insurance system in Hong Kong in the long run;

- (w) to expeditiously implement a ‘universal retirement protection scheme’ whereby all citizens aged 60 or above are eligible for receiving an ‘old age pension’, so as to ensure that the elderly will be able to maintain a reasonable standard of living; and
- (x) targeting at the existing bus services, to implement sectional fares and interchange concessions.