

For discussion
on 29 January 2015

Legislative Council Subcommittee on Poverty

2015 Policy Address Initiatives Relating to Poverty Alleviation

Introduction

The Chief Executive delivered his 2015 Policy Address on 14 January 2015. This paper sets out the poverty alleviation initiatives therein. Members may also wish to refer to the submissions made by the Government to various other Legislative Council (LegCo) Panels on the initiatives covered by the 2015 Policy Address, in particular those submitted to the Welfare Services (WS) Panel, Manpower Panel and Education Panel.

The Policy Address Initiatives

Driving our Policy Objective

2. Our poverty alleviation policy is to encourage young people and adult to become self-reliant through employment, while putting in place a reasonable and sustainable social security and welfare system to help those who cannot provide for themselves. The Government has set the poverty line to assess the poverty situation on an annual basis. In 2013, the overall poor population dropped below 1 million to 970 000 for the first time and the poverty rate fell to 14.5%, which was a five-year low. The Commission on Poverty (CoP) will continue to serve as the major policy platform to assist the Government in pursuing poverty alleviation initiatives.

Preparing for the implementation of Low-income Working Family Allowance (LIFA)

3. According to the analysis of poverty statistics, while the working poor households not receiving Comprehensive Social Security Assistance (CSSA) have been working hard and striving for self-reliance, they are more prone to poverty. This is because they had fewer working members, mostly engaged in lower-skill jobs and that they needed to support more children. The Chief Executive announced in his 2014 Policy Address the Government's proposal to introduce LIFA, with the aim to relieve the financial burden of non-CSSA low-income working families (especially those with children), as well as to promote self-reliance and upward social mobility. Our latest estimate is that over 200 000 low-income households (involving 710 000 persons, including over 170 000 eligible children) could benefit from the LIFA Scheme, resulting in an estimated reduction of 2.1 percentage points in the overall poverty rate, and an estimated reduction of 4.3 percentage points in the child poverty rate.

4. Following the LegCo Finance Committee's funding approval on 16 January 2015, we are earnestly taking forward the preparatory work. Barring unforeseeable circumstances, we shall be able to implement the LIFA Scheme within 15 to 18 months.

Strengthening Assistance to Students from Low-income Families

5. Before the implementation of LIFA, we will invite the Community Care Fund (CCF) to consider the provision of a one-off special subsidy for primary and secondary students on full grant under the School Textbook Assistance Scheme in the 2015/16 school year through the existing mechanism of the Student Financial Assistance Agency. The CoP and its CCF Task Force will deliberate on the details.

Continuing the Short-term Food Assistance Service

6. The Government has introduced the short-term food assistance service since February 2009 to help individuals/families having temporary difficulty cope with basic food expenditure. By the end of

December 2014, the service has already served over 171 000 people, with the majority being low-income earners and unemployed persons.

7. In 2013, the financial commitment for short-term food assistance service was increased from \$200 million to \$400 million, with a view to extending the service until end-2015. This year, the Government will further increase the commitment by another \$200 million to \$600 million. We anticipate that the additional provision will enable a further extension of the service for two more years up to end-2017.

Extending the Integrated Employment Assistance Programme for Self-reliance

8. To integrate and improve the employment assistance services under the CSSA Scheme, thereby enhancing effectiveness and synergy, the Social Welfare Department (SWD) launched the Integrated Employment Assistance Programme for Self-reliance in January 2013. Through this integrated programme, non-governmental organisations (NGOs) provide employable able-bodied CSSA recipients with multifarious and one-stop employment assistance services on a family basis in order to enhance their employability according to their individual needs and help them become self-reliant. The Government has reserved an additional provision of \$223 million to extend the integrated programme for two years up to March 2017.

Making use of the Community Care Fund

9. The main objective of the CCF is to provide assistance to people facing economic difficulties, in particular those who fall outside the social safety net or those within the safety net but have special circumstances that are not covered. Since its establishment in 2011, the CCF has launched 27 assistance programmes which involved a total commitment of over \$4.757 billion. As at end-December 2014, more than 870 000 people have benefited under these programmes. In addition, the CCF programmes which are proven to have effective poverty alleviation impact or meeting the needs of the target beneficiaries will be incorporated into the Government's regular assistance programme. So far, ten CCF programmes have been regularised, involving an annual

recurrent expenditure of about \$800 million. The CCF programme of providing extra travel subsidy for needy special schools students will also be regularised starting from the 2015/16 school year (please refer to paragraphs 10-11 below). In the coming year, the Government will continue to invite the CCF to consider new programmes (please refer to paragraph 5 above and paragraphs 12-13 below).

Regularising the Extra Travel Subsidy for Needy Special Schools Students

10. Starting from the 2015/16 school year, the Government will regularise the CCF programme of providing extra travel subsidy for needy special schools students. Unlike ordinary students, the majority of special school students are unable to travel to school by public transport owing to physical limitations or safety concerns. Consequently, they need to take rehabilitation buses or other non-public modes of transport. Seating capacity for rehabilitation buses is limited and they do not serve only students. There are restrictions on service flexibility and some categories of students with special educational needs (SEN) (including the students with mild or moderate intellectual disabilities and students with hearing impairment) are not eligible for rehabilitation buses. Thus, many SEN students need to take non-public modes of transport to travel between home and school, incurring higher transport fees. The current Student Travel Subsidy Scheme provides travel subsidies for the financially needy students and the subsidy amount is calculated on the basis of the fee level of public transport. The annual transport expenses incurred by SEN students to travel between home and school are often higher than the travel subsidy they receive.

11. In view of the above, starting from the 2013/14 school year, the CCF launched a pilot scheme to provide an extra 50% travel subsidy for SEN students studying in special schools, subsidising their school travels. The beneficiaries are primary 1 to secondary 6 special school students who receive full-grant or half-grant assistance from the Student Travel Subsidy Scheme, including students with physical disabilities, visual impairment, hearing impairment, mild, moderate or severe intellectual disabilities, but do not include students of hospital schools or schools for social development.

Arranging a Designated Teacher to Coordinate Support on Special Educational Needs in School

12. The Government understands the challenges faced by ordinary primary and secondary schools, especially those admitting more SEN students, in catering to the needs of these students. As such, the Education Bureau (EDB) will invite the CCF to consider providing a cash grant for ordinary schools admitting relatively more students with SEN and financial needs so that the schools could strengthen the teaching team and arrange a dedicated teacher with relevant knowledge and experience to coordinate matters relating to SEN support. Apart from taking on certain teaching load, the coordinator will also take a leading role in coordinating the planning, implementation and evaluation of integrated education policy and support strategies in the school. The implementation details of the pilot project will be subject to detailed discussion in the CCF Task Force and approval by the CoP.

Increasing the Academic Expenses Grant for Post-secondary Students with Special Educational Needs and Financial Needs

13. Post-secondary SEN students generally face a greater challenge than other students in their studies. They need to purchase equipment to assist in their learning, thus incurring greater academic expenses than other students, placing an extra financial burden on them. To ensure that their learning will not be affected owing to financial difficulties, EDB will invite the CCF to consider launching an assistance programme to enhance the academic expenses grant for the post-secondary SEN students. The implementation details are subject to deliberations by the CCF Task Force and approval by the CoP.

Expanding the Elderly Dental Assistance Programme

14. The Elderly Dental Assistance Programme launched under the CCF in 2012 will be expanded. The Programme provides free dentures and related dental services for elders on low income who are users of the home care service or home help service schemes subvented by SWD. As at end-December 2014, about 1 370 eligible elders have been referred to the dentists/dental clinics participating in the Programme for dental

services, of whom around 1 140 have had their dental treatments completed.

15. To enable more needy elders to benefit from the Programme, the CoP has agreed to expand the Programme progressively to cover elders who are Old Age Living Allowance recipients by phases, starting with those aged 80 or above in the first phase (involving some 130 000 elders), and consider extending it to other age groups progressively having regard to the progress of implementation and the overall situation. The Expanded Programme will be allocated an initial funding of around \$800 million in the first three years, and its scope and level of subsidy would be similar to those of the existing Programme. The Implementing Agency (i.e. the Hong Kong Dental Association) is now making preparation for the Expanded Programme with a view to inviting applications in the second half of 2015.

Advice Sought

16. Members are invited to note and comment on the content of this paper.

Education Bureau

Home Affairs Bureau

Food and Health Bureau

Labour and Welfare Bureau

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