

**For information on
7 July 2014**

Legislative Council Subcommittee on Poverty

New-arrivals: Poverty Statistics and Support

Introduction

This paper briefs Members on the poverty statistics relevant to new-arrivals and the Administration's support for new-arrivals.

Statistics in relation to New-arrivals

2. According to the "Hong Kong Poverty Situation Report 2012", after taking into account government recurrent cash intervention, there were 31 700 new-arrival households¹ in Hong Kong living below the poverty line, involving 110 800 persons in 2012. This means a post-intervention (recurrent cash) poverty rate of 36.9%, higher than the overall average (15.2%). Almost 70% of the new-arrival poor households were 3-person or 4-person families, and most of them (83.0%) had children (aged below 18). 9.1% were single-parent poor households². Among all new-arrival poor households, 16.2% lived in Kwun Tong, 10.6% lived in Sham Shui Po and 10.5% lived in Yuen Long. Together with those who lived in Kwai Tsing, Sha Tin, Wong Tai Sin, North and Tuen Mun, they accounted for over three-quarters of the new-arrival poor households.

3. In 2012, the proportion of new-arrival poor households with working members was 70.4%. Among the working members in these new-arrival poor households³, 61.2% had an education attainment level of lower secondary and below, and 95.4% were engaged in lower-skilled jobs.

¹ In the "Hong Kong Poverty Situation Report 2012", new-arrival households refer to domestic households with at least one member from the Mainland having resided in Hong Kong for less than seven years.

² In the "Hong Kong Poverty Situation Report 2012", single-parent households refer to households with at least one never married, widowed, divorced or separated member living with children aged below 18.

³ The working members in new-arrival poor households include working members who were not new arrivals.

The new-arrival working poor households had 1.1 working members and 1.3 children on average (the corresponding figures for all working households in Hong Kong were 1.7 and 0.5).

4. In terms of housing characteristics, 62.2% of the new-arrival poor households in 2012 were living in public rental housing (PRH), and 30.7% in private permanent housing.

Financial Assistance provided by the Government

5. Needy new-arrivals may seek assistance from the major government financial assistance schemes.

Comprehensive Social Security Assistance (CSSA)

6. The Government provides a safety net for those who cannot support themselves financially through the CSSA Scheme which is designed to bring their income up to a prescribed level to meet their basic needs. Special assistance is provided to single parents and family carers under the CSSA Scheme. They are provided with higher standard rates (ranging from \$1,875 to \$2,340), plus additional monthly supplement of \$300 for single parents.

7. On 17 December 2013, the Court of Final Appeal (CFA) held that the residence requirement under the CSSA Scheme should be lowered from seven years to one year, i.e. restoring the “one-year residence requirement” implemented before 1 January 2004. Persons under the age of 18 will continue to be exempted from the residence requirement under the CSSA Scheme. It was clearly stated in the judgment that it was specific to the CSSA Scheme and should not be applied generally to the application arrangements for other Government assistance programmes.

8. From the date of judgment up to 27 June this year, the Social Welfare Department (SWD) received 5 567 applications involving persons having resided in Hong Kong for less than seven years. It is noteworthy that the number of applications has fallen sharply from a high of 170 per working day in late December 2013 to 20-30 per working day in recent months. As it has only been about six months since the judgment, SWD would require a longer time to observe the trend of number of new

applications in order to ascertain the financial implications more accurately. After all, the financial implication of the judgment would, to a very large extent, depend on the financial condition of the new-arrivals and their interest in applying for CSSA.

9. It should also be noted that the CSSA scheme has built in flexibility for the Director of Social Welfare to exercise discretion to grant CSSA to persons not meeting the residence requirement in cases of genuine hardship. The discretion will normally be exercised where a new-arrival works to support his/her family members, in recognition of his/her efforts to become self-reliant.

Low-income Working Family Allowance (LIFA)

10. On 15 January 2014, the Chief Executive announced in the 2014 Policy Address the introduction of LIFA. There are two considerations. First, despite the protection offered by the statutory minimum wage, many grassroots workers, as the sole breadwinners of families, still bear a heavy financial burden. Providing them with suitable assistance and encouraging them to remain employed will help prevent them from falling into the CSSA net. Second, special attention must be paid to the children and youths of these families. Offering them appropriate support promotes upward mobility and breaks the vicious cycle of inter-generational poverty. It is important to note that as LIFA does not impose a pre-application residence requirement on the applicant, new-arrivals may apply for LIFA as long as they satisfy the other criteria. While the two-tiered working hour requirement for a LIFA applicant is 144 and 192 hours per month, a lower threshold of 36 and 72 hours per month is proposed for a single-parent applicant. Subject to the necessary approval from the Legislative Council Finance Committee in July 2014 for taking forward the LIFA Scheme, we would aim to start receiving applications in the fourth quarter of 2015.

Support Services provided by the Government

Welfare Support Services

11. It is the Government's policy to provide welfare support for individuals and families in need (including new-arrivals from the Mainland). The 65 Integrated Family Service Centres (IFSCs) and two Integrated

Services Centres (ISCs) operated by SWD and non-governmental organisations (NGOs) provide a spectrum of preventive, supportive and remedial welfare services. Such services include family life education, parent-child activities, enquiry services, volunteer training, outreaching service, support/mutual help groups, counselling and referral service. Extended-hour services are also available. Social workers will thoroughly assess the needs of service users and provide appropriate services. Through strategies of early identification and intervention, in-time support, collaboration across different sectors and provision of specialized services, the Government aims to provide a range of services with a view to strengthening the functioning of families and rendering support to families-at-risk.

12. SWD provides funding to the International Social Service Hong Kong Branch (ISSHK) to operate the Cross Boundary and Inter-country Casework Service, which helps individuals and families handle and solve problems arising from geographical separation. Services provided include intake enquiries, counselling, emergency assistance, volunteer training, various groups and activities, and referrals. ISSHK is also approaching the new-arrivals at the Lo Wu Control Point and Registration of Persons Office of the Immigration Department. It provides the new-arrivals with information on Hong Kong's social services and may refer them to appropriate mainstream service units so as to help identify and prevent family problems at an earlier stage.

13. SWD has also linked up its hotline with the New Arrivals Connect Hotline run by ISSHK. New-arrivals and their family members or families of persons holding two-way permits may choose to have their calls transferred to the New Arrivals Connect Hotline so as to receive specific and related services.

Employment Support

14. The Government has been providing various employment support services to help new-arrivals find work. These include the provision of employment market information, employment advisory services and employment programmes.

Employment Market Information

15. The Labour Department (LD) provides comprehensive and free employment services for job seekers (including new-arrivals) through a network of 12 job centres, two industry-based recruitment centres, two youth employment resources centres, a telephone employment service hotline, an interactive employment service (iES) website, and numerous vacancy search terminals installed at various locations.

16. To cater for the needs of new-arrivals, all job centres have set up special counters to provide them with job referral services. Both the iES website and vacancy search terminals are providing a simplified Chinese version to facilitate the new-arrivals to browse the vacancy information. Tailor-made employment briefings are organised regularly and resource corners are put in place at job centres to help new-arrivals understand the local employment market and improve their job search skills. LD also organises large-scale and district-based job fairs to enhance the dissemination of vacancy information so as to shorten the time needed for job search.

17. Noting that some new-arrivals may wish to find part-time work, LD has set up a dedicated webpage on part-time vacancies at the iES website to help them find suitable jobs.

Employment Advisory Services and Special Employment Programmes

18. All LD's job centres provide employment advisory services. Depending on the circumstances of the job seekers, employment consultants at LD's job centres will provide the latest information on the labour market and training/retraining courses, give job search advice, and/or conduct career aptitude assessment, etc. LD also administers various employment programmes to enhance the employability of job seekers who have difficulties in finding jobs. The participants of the Work Trial Scheme are placed in a real working environment so as to gain hands-on working experience. The Employment Programme for the Middle-aged encourages employers to engage the unemployed job seekers aged 40 or above with employment difficulties and provide the job seekers with on-the-job training through the provision of training allowance. In addition, the Youth Employment and Training Programme provides diversified pre-employment and on-the-job training for young school leavers aged 15 to 24, including

new-arrivals, with educational attainments at the sub-degree level or below to enrich their job skills and experience so as to enhance their employability.

Re-training

19. New-arrivals can apply for training courses offered by the Employees Retraining Board (ERB) based on their needs and interests. In 2013-14, about 13% of the persons admitted to the ERB courses were new-arrivals.

20. ERB also offers dedicated training courses for new-arrivals, including one full-time placement-tied course (namely, Foundation Certificate in Skills for Employment) and four half-day or evening generic skills training courses. These courses help new-arrivals understand and improve their capability to adapt to the local employment market, acquire job search skills, and establish positive working attitude. The Foundation Certificate in Skills for Employment placement-tied course can refer trainees in need to the child care services provided through SWD's Neighbourhood Support Child Care Project.

21. Non-school-attending new-arrivals who have participated in the dedicated language courses for new-arrivals of ERB with 80% attendance or above may apply for language course subsidies provided by the Home Affairs Department.

Child Care Support

22. Various initiatives are available to help parents in need (including the needy new-arrival parents) take care of their children. This facilitates them to join the labour market to achieve self-reliance.

Child care services

23. Family is the best and most natural environment for children's growth. However, to support parents who are unable to take care of their children temporarily for work or other reasons, the SWD has all along been providing subsidy to NGOs to run a variety of child care services for children below the age of 6, including aided standalone child care centres (CCCs), child care centres attached to kindergartens, occasional child care service, extended hours service, mutual help child care centres and

Neighbourhood Support Child Care Project (NSCCP). As at March 2014, with the exception of aided standalone CCCs which have an utilisation rate of 100%, there are still unused quotas for various child care services.

24. To further address the child care need in the community and provide a more flexible form of service, in 2014-15, SWD will enhance NSCCP by extending the age limit of target service recipients from below the age of six to below the age of nine; providing at least 234 additional places for the home-based child care service; and providing additional funding for service operators to enhance social work support for the service. SWD will also provide a total of 40 CCC places through in-situ expansion in existing aided standalone CCCs. SWD will continue keeping in view the demand for additional CCC places, particularly for aided standalone CCCs, by making reference to the children population, the district characteristics and needs, the provision and utilisation of existing facilities, and relevant social indicators including low income families, new arrivals from the Mainland, single parent families, etc., and plan for additional provision as required.

25. SWD offers fee subsidy to eligible families who are in need of child care services. SWD will continue to monitor and review the operation of various services, and deploy resources to meet the service demand in the community as appropriate.

After School Care Programme

26. SWD provides After School Care Programme (ASCP) through NGOs on a self-financing and fee charging basis, offering half-day support services for children aged 6 to 12. As at March 2014, there are 144 ASCP centres operated by NGOs offering about 5 500 places across the territory. The overall utilisation rate of the service was 88% as at end-March 2014. Through the Fee Waiving Subsidy Scheme, SWD provides fee waiving and fee reduction for children using the ASCP service, thereby facilitating parents of low-income families to attend work or vocational training and strengthening their self-reliance. Needy and eligible families may apply to the NGOs operating ASCP for full fee waiving or half-fee reduction on the charges in using the service. Starting from 2014-15, SWD will allocate additional resources to extend the service hours on weekday evenings, weekends and school holidays in some ASCP centres and provide additional fee-waiving and fee-reduction quotas. This could strengthen support for those parents working longer, irregular hours on weekdays and/or at

weekends and those intending to join the workforce.

27. To further encourage the business sector and organisations to work with schools to facilitate the whole-person development of students mainly from grassroots families, on top of the \$200 million originally planned for injection into the Partnership Fund for the Disadvantaged (PFD), the Government proposed an injection of an additional \$200 million into the PFD, dedicated to launching more after-school learning and support programmes for primary and secondary school students from grassroots families.

Education Support

28. The Education Bureau provides support services for new-arrival children, including school placement services for those aged 6 to 15, and provision of school information for those aged 15 or above to help them find the appropriate study pathways. Other support services include 6-month full-time Initiation Programme, 60-hour Induction Programme, and provision of School-based Support Scheme Grant to schools with intake of new-arrival children. These services aim to help new-arrival children integrate into the local community and overcome learning difficulties. Since the 2008/09 school year, the Initiation Programme and Induction Programme have been extended to cover new-arrival children aged under 18.

Housing Arrangements

29. New-arrivals who are allowed to stay in Hong Kong without any stay conditions (except those relating to the duration of stay) may, on the ground of family reunion, apply for addition into PRH tenancies if they are either the spouses of or children under 18 or dependent elderly parents or grandparents of the tenants; or they are the spouses and children of one of the tenants' married offspring whose names are already on the tenancy. One adult offspring of an elderly tenant, together with their family members, can apply to be added to the tenancy without the need to satisfy the seven-year residence requirement in Hong Kong subject to the 'one-line continuation rule'⁴. In addition, if they fulfil all the eligibility criteria, including the income and asset tests, they can immediately apply for PRH.

⁴ Neither addition of an adult offspring when there is a branch family in the tenancy nor addition of a branch family when there is already an adult offspring in the original tenancy will be allowed.

At the time of allocation, as long as at least half of the family members have resided in Hong Kong for a minimum of seven years and all family members are still living in Hong Kong, the household is regarded as having fulfilled the residence requirement and will be allocated PRH. All children under the age of 18 are deemed to have fulfilled the seven-year residence rule if one of the parents has lived in Hong Kong for seven years, regardless of the children's place of birth; or if the children were born in Hong Kong with established permanent resident status.

Advice Sought

30. Members are invited to note the content of this paper.

Labour and Welfare Bureau
Education Bureau
Housing Department
Labour Department
Social Welfare Department
Economic Analysis and Business Facilitation Unit

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