

For discussion on  
25 February 2013

LC Paper No. CB(2)665/12-13(01)

## **Legislative Council Panel on Welfare Services**

### **Review of Disability Allowance under the Social Security Allowance Scheme**

#### **Purpose**

At the meeting of the Panel on Welfare Services on 10 December 2012, the Administration informed Members that the Labour and Welfare Bureau (LWB) would propose setting up an inter-departmental working group to carry out a detailed study on the eligibility criteria for the Disability Allowance (DA).

2. The Chief Executive (CE) subsequently announced in his Policy Address delivered on 16 January 2013 that LWB was undertaking the preparatory work for the establishment of an inter-departmental working group to study the subject of allowing people with loss of one limb to apply for DA as mentioned in his Manifesto and related issues.

3. This paper reports on the present position.

#### **Membership, Terms of Reference and Work Directions of the Working Group**

##### Membership

4. The newly established inter-departmental working group under LWB is named “Inter-departmental Working Group on Review of the Disability Allowance” (the Working Group). The Permanent Secretary for Labour and Welfare is the Convenor of the Working Group, comprising members from the Food and Health Bureau, Financial Services and the Treasury Bureau, Social Welfare Department (SWD),

Department of Health (DH), Labour Department, Census and Statistics Department), and Hospital Authority (HA). The detailed membership list is at **Annex I**. The Working Group will invite representatives of other bureaux/departments/relevant agencies to participate in its work on a need basis.

### Terms of Reference

5. The Working Group has adopted the following terms of reference:

- (a) As the CE has stated in his Manifesto that “We will also allow people with loss of one limb to apply for Disability Allowance”, the Working Group will review the eligibility criteria for DA, assess the implications of various options on policy, implementation, finance and other related areas, and make recommendations; and
- (b) The Working Group will report to, and seek steer as deemed appropriate from, the Social Security and Retirement Protection Task Force under the Commission on Poverty.

### Major Work Directions

6. The CE stated in his Manifesto that “We will also allow people with loss of one limb to apply for DA”. In following up on this, the Working Group needs to carefully review the eligibility criteria for DA and related issues. In exploring the options, the Working Group should fully consider its implications for issues such as policy, implementation, finance, etc. Regard should also be given to the existing support rendered to persons with disabilities. The main work directions of the Working Group are as follows :

- (a) collecting and analysing the relevant information and data, including:
  - i. conducting literature review on relevant local data<sup>1</sup>, research

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<sup>1</sup> According to a household survey conducted by the Census and Statistics Department from 2006 to 2007, there were 361 300 people with restriction in body movement, seeing difficulty, hearing difficulty, speech difficulty, mental illness, autism, specific learning difficulties and/or attention

- findings and public views;
  - ii. studying the arrangements and experiences of other places on DA; and
  - iii. deliberating whether it is necessary to carry out further/more in-depth researches so as to obtain additional information to facilitate the review.
- (b) exploring various options, including assessing the number of potential recipients, policy implications and financial commitments under these options, with regard also to other support and services available to persons with disabilities.

### **Interaction between the Working Group and the Commission on Poverty**

7. A study of the eligibility criteria of DA will touch upon complicated issues of definitions, technical issues and the work of different bureaux, departments and the HA. As DA is a component of the Social Security system, the Working Group will report to, and seek steer, as deemed appropriate from, the Social Security and Retirement Protection Task Force, and will dovetail with the work of the Task Force and the Commission on Poverty.

### **Other Issues**

8. Currently, the DA Scheme comprises Normal DA (\$1,450 per month) and Higher DA (\$2,900 per month). As at end-November 2012, there were a total of 146 670 Normal DA and Higher DA cases. Details are at **Annex II**.

9. To follow up on the recommendations in the “Direct Investigation Report on Granting of Disability Allowance and Processing of Appeals by Social Welfare Department” released by the Ombudsman in October 2009, SWD has earlier on set up a Working Group on Review of the

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deficit/hyperactivity disorder. At the same time, there were about 67 000 to 87 000 people with mental handicap.

Mechanism for Implementing the DA Scheme. This review group has refined and updated the guidelines, Medical Assessment Form and Checklist used in medical assessments, and also the work flow of relevant departments/organisations, in order to achieve better consistency and enhance objectiveness in conducting medical assessments, while meeting the existing policy intent of DA. In December 2012, SWD reported the recommendations of its review group to the Panel on Welfare Services of the Legislative Council and also made a similar report to the Ombudsman. Members may wish to note that the review group established by SWD earlier on mainly worked on enhancing the existing mechanism for implementation based on the existing policy, which was different from the work to be undertaken by the newly established Working Group under LWB.

**Labour and Welfare Bureau**  
**February 2013**

**Inter-departmental Working Group on  
Review of the Disability Allowance**

**Membership list**

**Convenor:**

Permanent Secretary for Labour and Welfare

**Members:**

<u>Labour and Welfare Bureau</u>	Deputy Secretary (Welfare) 2 Commissioner for Rehabilitation
<u>Food and Health Bureau</u>	Deputy Secretary (Health) 1
<u>Financial Services and the Treasury Bureau</u>	Principal Assistant Secretary (Treasury) (B)
<u>Social Welfare Department</u>	Assistant Director (Rehabilitation & Medical Social Services)  Assistant Director (Social Welfare)
<u>Labour Department</u>	Assistant Commissioner (Employees' Rights & Benefits)
<u>Hospital Authority</u>	Chief Manager (Primary & Community Services)
<u>Department of Health</u>	Principal Medical & Health Officer (4)
<u>Census and Statistics Department</u>	Assistant Commissioner for Census and Statistics (Social)

**Secretary:**

Principal Assistant Secretary for Labour and Welfare (Welfare) 4

**Disability Allowance (DA) cases by type  
(as at end-November 2012)**

	Higher DA	Normal DA	Total
	Number of cases	Number of cases	Number of cases
Physical disablement	15,547	72,942	88,489
Mental disablement	3,418	50,148	53,566
Profound deafness	0	4,615	4,615
<b><i>Total</i></b>	<b><i>18,965</i></b>	<b><i>127,705</i></b>	<b><i>146,670</i></b>
<b><i>Expenditure in 2012-13 (Original Estimates)*</i></b>	<b><i>\$0.67 billion</i></b>	<b><i>\$2.34 billion</i></b>	<b><i>\$3.01 billion</i></b>

\* Excluding the payment of one-off allowance to DA recipients in July 2012.