

立法會
Legislative Council

LC Paper No. CB(2)534/16-17
(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

Panel on Welfare Services

Minutes of meeting
held on Monday, 14 November 2016, at 11:00 am
in Conference Room 3 of the Legislative Council Complex

Members present : Hon SHIU Ka-chun (Chairman)
Hon KWONG Chun-yu (Deputy Chairman)
Hon James TO Kun-sun
Hon LEUNG Yiu-chung
Hon CHAN Hak-kan, BBS, JP
Hon LEUNG Kwok-hung
Hon WU Chi-wai, MH
Hon MA Fung-kwok, SBS, JP
Hon CHAN Chi-chuen
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Dr Hon Fernando CHEUNG Chiu-hung
Hon IP Kin-yuen
Hon POON Siu-ping, BBS, MH
Hon Alvin YEUNG
Hon Andrew WAN Siu-kin
Dr Hon Junius HO Kwan-yiu, JP
Hon YUNG Hoi-yan
Dr Hon Pierre CHAN
Hon Tanya CHAN
Hon HUI Chi-fung
Hon Jeremy TAM Man-ho
Hon Nathan LAW Kwun-chung
Dr Hon YIU Chung-yim
Dr Hon LAU Siu-lai

Members absent : Hon Dennis KWOK Wing-hang
Dr Hon Helena WONG Pik-wan
Hon CHU Hoi-dick

Members attending : Hon Holden CHOW Ho-ding
Dr Hon CHENG Chung-tai

Public Officers attending : Item IV

Mr Donald CHEN, JP
Deputy Secretary for Labour and Welfare (Welfare) 2
Labour and Welfare Bureau

Mr Gordon CHONG
Principal Assistant Secretary for Labour and Welfare
(Welfare) 4
Labour and Welfare Bureau

Miss Cecilla LI
Deputy Director of Social Welfare (Administration)
Social Welfare Department

Miss Rita LAU Choi-ha
Chief Social Security Officer (Social Security) 1
Social Welfare Department

Ms Cecilia CHAN Mei-ping
Senior Statistician (Social Welfare)
Social Welfare Department

Item V

Mr Matthew CHEUNG, GBS, JP
Secretary for Labour and Welfare
Labour and Welfare Bureau

Miss Annie TAM, GBS, JP
Permanent Secretary for Labour and Welfare
Labour and Welfare Bureau

Mr Donald CHEN, JP
Deputy Secretary for Labour and Welfare (Welfare) 2
Labour and Welfare Bureau

Mr Steve TSE
Principal Assistant Secretary for Labour and Welfare
(Special Duties)
Labour and Welfare Bureau

Mr LAM Ka-tai, JP
Deputy Director of Social Welfare (Services)
Social Welfare Department

Dr Ernest CHUI
Principal Investigator
Consultant Team

Dr LAW Chi-kwong, GBS, JP
Principal Investigator
Consultant Team

Clerk in attendance : Mr Colin CHUI
Chief Council Secretary (2) 4

Staff in attendance : Ms Catherina YU
Senior Council Secretary (2) 4

Miss Alison HUI
Legislative Assistant (2) 4

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I. Confirmation of minutes of the meeting on 18 October 2016
[LC Paper No. CB(2)112/16-17]

The minutes of the meeting held on 18 October 2016 were confirmed.

II. Information paper(s) issued since the last meeting
[LC Paper Nos. CB(2)54/16-17(01) and CB(2)90/16-17(01)]

2. Members noted that joint letters dated 19 October and 1 November 2016 from Dr Fernando CHEUNG and Mr LEUNG Yiu-chung proposing the

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appointment of a joint subcommittee on long-term care ("LTC") policy under the Panel on Welfare Services and the Panel on Health Services [LC Paper Nos. CB(2)54/16-17(01) and CB(2)90/16-17(01)] had been issued since the last meeting.

III. Items for discussion at the next meeting

[LC Paper Nos. CB(2)149/16-17(01) to (02)]

3. Members noted that the Administration had proposed to discuss at the next meeting scheduled for 12 December 2016 the following items:
 - (a) Progress of implementation of the Special Scheme on Privately Owned Sites for Welfare Uses;
 - (b) Proposed creation of a supernumerary post of Assistant Director of Social Welfare to strengthen the inspection and monitoring of residential care homes for the elderly and residential care homes for persons with disabilities; and
 - (c) Looking into the quality problem of private residential care homes for persons with disabilities in light of the "Bridge of Rehabilitation Company" incident.

Receiving public views on the Elderly Services Programme Plan

4. Given that many deputations had indicated their interests to give views on the Elderly Services Programme Plan ("ESPP"), the Chairman suggested holding a special meeting to receive public views on ESPP. Dr LAU Siu-lai said that many members of the public did not have a chance to participate in the public engagement exercise conducted by the Administration because of inadequate publicity on that exercise. Moreover, many deputations objected to the privatization of elderly services. She considered it necessary to receive public views on ESPP at a Panel meeting. Dr Fernando CHEUNG expressed support for holding a special meeting as deputations would be able to give specific recommendations on ESPP at that meeting. Dr KWOK Ka-ki suggested that a special meeting should be held before the next regular meeting of the Panel.

(Post-meeting note: A special meeting of the Panel was held on 29 November 2016 for receiving public views on ESPP.)

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List of outstanding items for discussion by the Panel

5. The Chairman invited members to consider deleting the following items from the list of outstanding items for discussion ("the List") by the Panel:

- (a) Provision of barrier-free access and facilities for persons with disabilities (item 14 of the List);
- (b) Enforcement agencies' procedures for dealing with persons with disabilities or persons with special needs (including mentally incapacitated persons) and support provided under the social welfare system for the above persons on law-related matters (item 19 of the List); and
- (c) Issues relating to welfare of refugees, torture claimants and asylum seekers and proposed legislative amendments to the unified screening mechanism for non-refoulement claimants (item 41 of the List).

6. Members raised no objection to deleting items 14 and 19 from the List. Dr KWOK Ka-ki, however, suggested that the subject matter under item 19 should be discussed at a joint meeting of the Panel and the Panel on Security. Noting that the House Committee had agreed to appoint a subcommittee to follow up issues relating to the Unified Screening Mechanism for Non-refoulement Claims ("the Subcommittee"), Dr Fernando CHEUNG considered that the subject matter under item 41 of the List could be discussed by the Subcommittee upon its activation. In case of the need to discuss the subject matter before the activation of the Subcommittee, the Panel should follow it up. As such, he suggested keeping item 41 on the List for the moment. The Chairman said that item 41 should be removed from the List when the Subcommittee started its work.

IV. Annual adjustment of social security payment rates under the Comprehensive Social Security Assistance Scheme and the Social Security Allowance Scheme, and issues relating to rent allowance under the Comprehensive Social Security Assistance Scheme
[LC Paper Nos. CB(2)149/16-17(03) to (04)]

7. The Chairman drew members' attention to Rule 83A of the Rules of Procedures regarding personal pecuniary interest to be disclosed. He reminded members to declare interests in the matter under discussion, if any.

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8. At the invitation of the Chairman, Deputy Secretary for Labour and Welfare (Welfare)2 ("DS(W)2") briefed members on the Administration's proposal to seek the approval of the Finance Committee ("FC") to adjust the standard payment rates under the Comprehensive Social Security Assistance ("CSSA") Scheme and rates of allowances under the Social Security Allowance ("SSA") Scheme ("social security payment rates") with effect from 1 February 2017, having regard to the latest movement of the Social Security Assistance Index of Prices.

Alleviation of rental burden of recipients of Comprehensive Social Security Assistance living in rented private housing

9. Dr KWOK Ka-ki said that the Administration should implement measures to assist CSSA recipients who were living in rented private housing to solve their housing problems. He said that the maximum rent allowance ("MRA") under the CSSA Scheme and the one-off subsidy provided under the "Subsidy for CSSA Recipients Living in Rented Private Housing" programme ("the Programme") under the Community Care Fund ("CCF") was insufficient to cover the rental of many sub-divided flats. In deciding the level of MRA, the Administration should take into account the rental burden of CSSA households who were not provided with public rental housing ("PRH").

10. Mr KWOK Wai-keung said that the Administration had refused to consider the Hong Kong Federation of Trade Union's suggestion of imposing rent control and the rental per square foot for some sub-divided flats were much higher than other residential flats. Noting that 54% of the CSSA households living in rented private housing were paying rental higher than MRA, he enquired whether the one-off CCF subsidy could make up for the difference between the rent allowance and the actual rent paid by these households.

11. Mr LEUNG Yiu-chung said that the proposed increase in MRA by 4.3% could not catch up with the rapid rise in private housing rental. Dr Fernando CHEUNG opined that it was a structural problem that MRA had not been able to catch up with the market rent over the years. Even though CSSA households living in rented private housing were provided with the one-off CCF subsidy, more than 30% of these households were still paying a rent exceeding MRA. While the CSSA Scheme was designed to provide financial assistance for needy individuals or families to meet their basic needs rather than their rental expenses, these households had to use part of their CSSA payments to make up for the differences between the actual rent and the rent allowance. He enquired whether the Administration had any plan to critically review the rent allowance mechanism or intended to continue with the provision of the one-off CCF subsidy to mitigate the rental burden of CSSA households living in rented private housing.

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12. DS(W)2 responded that the aim of the Programme under CCF was to provide a one-off subsidy for CSSA households living in rented private housing and paying a rent exceeding MRA. Taking into account the increase in the level of MRA by 4.3% as reflected by the latest statistics, as well as the one-off subsidy under the Programme, the percentage of CSSA households which had to pay rent out of their standard rate payments dropped from 54% to below 40%. In discussing the assistance measures for these households, the Commission on Poverty ("CoP") was of the view that providing a rent allowance comparable to the market rent might trigger a rise in the private housing rental which would very likely end up benefiting the landlords rather than the CSSA households concerned. On balance, CoP considered that one-off payment should be provided under CCF for these households and the Programme should be reviewed upon the expiry of its one-year implementation period. Whether the Programme should be continued would be decided by CoP having regard to the prevailing circumstances. In the long run, housing needs of the needy groups had to be addressed by increasing the supply of public housing.

13. Deputy Director of Social Welfare (Administration) ("DDSW(Administration)") supplemented that the Consumer Price Index ("CPI") (A) rent index for private housing ("rent index") reflected the movement of private housing rent borne by about 50% of households in the relatively low expenditure range, including households living in bedspace apartments, cubical apartments or suites. Although rental of private housing in urban areas was higher, CSSA recipients generally preferred to live in urban areas to have more convenient access to workplaces. CSSA recipients were free to choose the districts to live and it would be difficult for the Administration to adopt different rent indices for different districts. At the request of Dr KWOK Ka-ki, DDSW(Administration) undertook to provide information on the existing rent paid by and the adjusted rent allowance payable to CSSA households living in Kwun Tong, Sham Shui Po and Tsuen Wan.

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14. Dr Fernando CHEUNG said that instead of adjusting MRA according to the rent index, reference should be made to 10% of households in the relatively low expenditure range which mainly covered households living in sub-divided flats or cubical apartments. Dr LAU Siu-lai said that the rent of sub-divided flat had increased by more than 10% in 2016 and the rent allowance was unable to catch up with such a rate of increase. In considering the amount of rent allowance or one-off subsidy, the Administration should make reference to the rate of rental increase for private housing rather than to CPI(A). The Administration should conduct a study on the rate of rental increase for sub-divided flats and measures for alleviating rental burden of CSSA households living in sub-divided flats.

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15. Mr KWOK Wai-keung, Mr LEUNG Che-cheung and Mr POON Siu-ping took the view that assistance for CSSA households living in rented private housing should be enhanced, given that many of these households had to use part of their CSSA payments on rental. While considering the provision of a one-off CCF subsidy for CSSA households living in rented private housing a suitable arrangement, Mr LEUNG Che-cheung said that the Administration should also consider providing rent allowance for CSSA households on the waiting list for PRH. Mr POON Siu-ping said that the Administration should consider regularizing the Programme.

Declaration on the financial condition of elderly persons applying for Comprehensive Social Security Assistance

16. Dr Fernando CHEUNG said that the requirement for family members of elderly CSSA applicants to make declaration on financial contributions (commonly known as the "bad son statement") should be removed. DS(W)2 clarified that the requirement for family members of CSSA applicants to make declaration on financial contributions was not confined to elderly applicants but also to, among others, all individuals who applied for CSSA on an individual basis. The purpose was to ascertain the financial resources received by the applicants. Noting that the aforementioned declaration arrangements were also discussed extensively during the public engagement exercise on retirement protection, it was expected that the consultation report would suitably cover the issue. DDSW(Administration) supplemented that the Social Welfare Department ("SWD") only kept the number of cases which it had granted discretionary exemption to elderly persons, who were living with their family members, to apply for CSSA on their own. There were some 20 cases yearly since 2011. For 2016-2017 (up to end-August 2016), six cases were approved. The Deputy Chairman, Mr LEUNG Yiu-chung, Mr Andrew WAN and Dr LAU Siu-lai opined that the number of exemptions granted was unreasonably low and the requirement for "bad son statement" had also rendered many needy elderly persons unable to receive CSSA. Mr LEUNG Kwok-hung said that the existing mechanism failed to address the elderly persons' need for CSSA. The Deputy Chairman said that there was a case in which SWD had rejected the CSSA application by an elderly person whose son was unable to provide her with financial support. SWD should not be so rigid in assessing CSSA applications from needy elders. The Administration was asked to review the requirement for "bad son statement" and provide a yearly breakdown (from 2011 onwards) on the number of applications for exempting from submitting "bad son statement" and the number of such cases which were granted exemption from such requirement.

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Review of the Comprehensive Social Security Assistance Scheme

17. Mr LEUNG Yiu-chung said that the CSSA Scheme had not been reviewed for years and the contents of the CSSA Scheme failed to keep up with changes in the community as well as the living pattern of CSSA households. For example, targeted assistance was not provided for meeting prevailing learning needs of children from CSSA families. He urged the Administration to conduct a review of the CSSA Scheme.

18. Mr WU Chi-wai said that certain items (such as dental care for elderly persons and extra-curriculum activities for students) should be covered by the CSSA Scheme if these items were generally regarded as essentials. To ensure that cash assistance provided would be spent on meeting these specific needs, the Administration should consider changing the mode of assistance by giving vouchers to CSSA recipients or paying the service providers direct. Mr Andrew WAN said that the Administration should explore the suggestion of issuing service vouchers and allocate designated funds to facilitate the development of children from low-income families.

19. Taking the view that CSSA recipients should be encouraged to move towards self-reliance, Mr WU Chi-wai said that the disregarded earnings ("DE") arrangements should be improved to provide more incentive for CSSA recipients to take up employment. The Administration should consider increasing the amount of DE on a yearly basis. Mr Andrew WAN said that to motivate CSSA recipients to remain in employment, the amount of DE should peg with the duration of employment, i.e. the longer the duration of employment, the higher amount of earnings would be treated as DE.

20. DS(W)2 responded that the Administration had been reviewing the assistance measures for CSSA recipients from time to time with a view to enhancing the assistance for the needy groups. The Administration had increased the grants for school-related expenses for primary and secondary students of CSSA families by \$1,000 starting from the 2014-2015 school year. Targeted measures had been implemented to assist individuals who wished to take up employment. On the suggestion of increasing the amount of DE, he said that a higher amount of DE might discourage CSSA recipients from leaving the safety net. Instead, SWD had implemented a three-year CCF pilot scheme entitled "Incentive Scheme to Further Encourage CSSA Recipients of the Integrated Employment Assistance Programme for Self-reliance to Secure Employment" in 2014 to provide incentive grants to CSSA recipients when their accumulative earnings above the maximum level of DE reached a prescribed target. DDSW(Administration) supplemented that under the current DE arrangements, 100% of the first \$800 earnings would be disregarded in full and 50% of earnings from the next \$3,400 were disregarded up to a

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maximum of \$2,500 per month. SWD had also been implementing measures to encourage and assist CSSA recipients to secure employment.

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21. Mr Andrew WAN said that some elderly persons could not return to Hong Kong for reasons such as imprisonment or sickness and thus did not meet the residence requirements under the CSSA or SSA Schemes. Although some of these elderly persons were in financial hardship, their applications for CSSA or SSA were not approved by SWD. He took the view that the Director of Social Welfare was too harsh in granting discretionary approval of CSSA or SSA applications made by people who did not satisfy the residence requirements under the CSSA or SSA Schemes. The Administration was requested to provide a response in this regard.

According priority to the proposal of adjusting social security payment rates for consideration by the Finance Committee

22. Expressing concern that the new social security payment rates could not take effect from 1 February 2017 if there was any delay in approving the relevant funding proposal by FC, Mr KWOK Wai-keung asked whether the Administration would accord the highest priority to the relevant funding proposal for FC's consideration. DS(W)2 responded that subject to members' support, the Administration would submit the relevant funding proposal for FC's consideration at one of its meetings in December 2016. The Financial Services and the Treasury Bureau would take account of all funding proposals to be submitted to that FC meeting in deciding the order of discussion.

23. In response to the Chairman's invitation of views, members present supported in principle the submission of the funding proposal to FC for consideration.

V. Elderly Services Programme Plan

[LC Paper Nos. CB(2)149/16-17(05) to (06), CB(2)160/16-17(01) and CB(2)188/16-17(01)]

24. At the invitation of the Chairman, Secretary for Labour and Welfare ("SLW") and Dr Ernest CHUI, Principal Investigator of the Consultant Team, briefed members on the progress of the preparation of ESPP and the initial recommendations of ESPP with the aid of a powerpoint presentation.

Funding for provision of elderly services and for implementation of the Elderly Services Programme Plan

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25. Mr Nathan LAW said that the Administration had allocated \$800 million for the implementation of the Pilot Scheme on Residential Care Service ("RCS") Voucher for the Elderly ("the RCSV Pilot Scheme"), \$170 million for providing additional places for the Enhanced Home and Community Care Services ("EHCCS"), \$17 million and \$140 million for providing additional places for day cares services and subvented RCS for elderly persons respectively. He asked the basis for allocation of funds for these services.

26. SLW responded that currently, around 90% of RCS places were provided by subvented residential care homes for the elderly ("RCHEs") and the Administration had no plan to change this approach. The RCSV Pilot Scheme did not seek to privatize RCS but to provide more choices and flexibility of RCS. The first phase of the RCSV Pilot Scheme would be confined to contract, subvented and self-financing RCHEs. Voucher users were free to choose from the non-subsidized places of these RCHEs. The Administration would only consider engaging quality private RCHEs in the RCSV Pilot Scheme during the later phases of the pilot scheme.

27. SLW said that the funds allocated for provision of additional places for EHCCS, day cares services and subvented RCS places for elderly persons were recurrent expenditures. The \$800 million earmarked for the RCSV Pilot Scheme was for meeting the expenses incurred for issuing a total of 3 000 RCS vouchers in three phases in a three-year period. As RCHEs participating in the RCSV Pilot Scheme would be required to fulfil or exceed the staffing and space requirements of EA1 RCHEs, it was recommended that the voucher value should be pegged at the purchase price level for an EA1 place in urban area, i.e. around \$12,000 for 2015-2016.

28. Dr Fernando CHEUNG said that the unit cost of a subvented RCS place (excluding rental) ranged from \$14,000 to \$16,000 and the RCS voucher value was around \$12,000. Voucher holders had to top up for subvented RCS places, otherwise they could only use inferior RCS. In his view, the RCSV Pilot Scheme was in effect privatization of RCS. He said that the Administration should aim at eliminating private RCHEs with poor quality instead of allowing private RCHEs which sought mainly to make profit to provide RCS for the underprivileged elders.

29. Mr KWOK Wai-keung said that engaging private RCHEs in the provision of RCS would help shortening the waiting time for such services. Noting that the Elderly Commission was expected to submit the report of ESPP to the Administration in the second quarter of 2017 (barring any unforeseen developments), he considered that the progress of ESPP was too slow. He also took the view that the initial recommendations of ESPP were conceptual and not concrete enough. He expressed concern that follow-up actions to the

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ESPP would be delayed and would be less effective if a lump sum was not reserved in advance for taking forward all the recommendations of ESPP.

30. SLW responded that the Administration would draw up the timetable and blueprint for implementing ESPP after examining the report of ESPP in the second quarter of 2017. The next term government would follow up the implementation of ESPP. The Chairman said that the Administration would brief members on the report of ESPP in July 2017.

Target waiting time for residential care services

31. Noting that the average waiting time for subvented and contract RCHEs was three years and that for care and attention homes was two years, Mr Nathan LAW enquired whether the Administration had set any targets for reducing the waiting time in the formulation of long-term provision plans for RCHEs.

32. Dr LAW Chi-kwong, Principal Investigator of the Consultant Team, responded that according to the Consultant Team's projection on the demand for subsidized LTC services up to 2064, there would be an expected shortfall of 14 000 subsidized RCS places in 2026. Since it could take around eight to 11 years to construct an RCHE, the Administration should strive to obtain resources to make up for the shortfall for subsidized RCS places. As for the suggestion of setting waiting time targets for RCHEs, it would be difficult to implement since under the existing arrangements, an elderly person might specify multiple service preferences and the actual number of RCHEs that an elderly was waitlisted for would vary from case to case.

Enhancement of quality for residential care homes for the elderly

33. To address the quality problem of some private RCHEs, Mr LEUNG Yiu-chung considered it necessary to expedite the review of the Residential Care Homes (Elderly Persons) Ordinance (Cap. 459) ("RCHE Ordinance"). SLW responded that the Administration would, taking into account the findings of the report of ESPP, start working on a review of the RCHE Ordinance.

34. Mr LEUNG Che-cheung said that the resources required for the provision of home care services was much greater than that for RCS. As such, the Administration should mobilize resources in the community to assist in the provision of home care services. Promotion and educational programmes in this regard should also be strengthened. He said that after the occurrence of elder abuse cases at Taipo Cambridge Nursing Home in May 2015, the Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB") had conducted a survey on the supply of RCHEs. According to the findings of

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the survey, there were over 10 000 vacant places in private RCHEs. He suggested that the Administration should consider making use of these vacant places to reduce the waiting time for RCHEs. To ensure that these private RCHEs would meet the standard of EA1 places under the Enhanced Bought Place Scheme, DAB had put forward the idea of setting up a development fund of \$10 billion for upgrading service quality and enhancing monitoring of private RCHEs.

35. SLW responded that since the existing supply of home care services fell short of the demand, the Consultant Team had recommended that home care services should be improved to alleviate the pressure on the provision of institutional care services. The Administration would not compromise on service quality and in considering making use of vacant places of private RCHEs, it would ensure that the places to be bought would be at EA1 standards. To this end, the Administration had earmarked funds for upgrading EA2 places to EA1 standards. The Administration was open minded towards the setting up of a development fund for RCHEs.

36. Mr LEUNG Kwok-hung said that many elderly persons were accommodated in EA2 RCHEs because they could not afford EA1 places. To enable all elderly persons in need of institutional care were provided with quality RCS, the Administration should aim to replace all EA2 places with EA1 places. To increase the supply of RCS places, the Labour and Welfare Bureau should request the Development Bureau to reserve suitable locations in each of its development projects for the provision of RCS and to consider converting factory buildings into RCHEs.

37. Taking the view that the construction time for RCHEs was too long, Dr LAU Siu-lai said that the Administration should take steps to speed up the construction of RCHEs. For example, the Administration should improve the policies which had prolonged the construction lead-time and consider providing subsidy for non-governmental organizations to build RCHEs.

Projection on the supply of and demand for community care services and residential care services

38. Dr Fernando CHEUNG and Mr Alvin YEUNG said that the Consultant Team's projection on the supply of and demand for community care services ("CCS") in 2016 did not reflect the real life situation. Dr Fernando CHEUNG said that it was a wrong policy direction to recommend a higher planning ratio for RCS than CCS, given that most elderly persons wished to age in place. He said that the demand for RCS would not be so great if there was adequate provision of CCS. Elderly persons with severe level of impairment, if provided with adequate CCS or home care services, did not necessarily reside

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in RCHEs. To enable elderly persons to age in place, the Administration should eliminate substandard RCHEs, substantially increase the provision of CCS and home care services as well as strengthen the support for family carers.

39. Dr LAW Chi-kwong responded that the projections on the demand for RCS and CCS were based on the average demand for and usage of these services in the past few years as well as the projected changes in the population of Hong Kong and of different age groups up to 2064. Various assumptions had already been made in preparing the projections and under these assumptions, the ratio of the projected demand for RCS places and for CCS places would trend towards 1:1 in the medium-to-long term (i.e. down from the existing imbalanced ratio of around 3:1).

40. Dr Fernando CHEUNG maintained his view that inadequate supply of CCS was the cause of high demand for RCS. He took the view that the concept of using the number of waitlistees for RCS and CCS to project the demand for such services was wrong. Such a basis for projection would lead the planning for LTC services to a wrong direction. The Administration should make its best efforts to facilitate elderly persons to age in place and live with dignity. Dr LAW Chi-kwong responded that if members could provide other objective data which were not known to the Consultant Team, the Consultant Team would consider adjusting the projection using those data.

Provision plans for residential care services and community care services

41. Mr LEUNG Yiu-chung said that the expected decrease in average household size and the shrinkage of the pool of family carers would have an impact on provision of home care services and demand for RCS. To meet the growing demand for CCS and RCS arising from ageing population, the Administration should have better provision plans for both CCS and RCS and should put equal emphasis on these services. SLW responded that the existing ratio of RCS usage to CCS usage was 3:1 mainly because of premature and unnecessary institutionalization. The Administration hoped to reduce institutionalization rate through strengthening CCS. Noting that there would be an expected shortfall of around 18 000 subsidized CCS places and 14 000 subsidized RCS places in 2026, Mr LEUNG Kwok-hung urged the Administration to allocate resources to meet the shortfall. The Administration should also consider taking over the management of private RCHEs with poor quality.

42. Mr Alvin YEUNG said that many elderly persons were discouraged to use CCS by some service providers. He opined that apart from actual service utilization, service needs of these elderly persons should be taken into account

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in projecting the demand for CCS and drawing up long-term plans for provision of CCS.

43. Dr LAW Chi-kwong responded that elderly persons who were assessed to be of moderate level of impairment under the Standardised Care Need Assessment Mechanism for Elderly were eligible for CCS. The Consultant Team had recommended that for prevention of health deterioration, provision of suitable services for elderly persons with mild impairment should be explored and the service provision of Integrated Home Care Services (Ordinary Cases) ("IHCS(OC)") for users should be systematized. There might be a need to explore improvement in providing services for elderly persons with frailty not reaching the moderate to severe level (i.e. the threshold for LTC services). A simplified version of the standardized need assessment tool should be developed to identify the mildly frail elderly to be given higher priority in receiving services under IHCS(OC). The assessment tool for persons with dementia should also be improved.

(At 1:00 pm, the Chairman extended the meeting for 15 minutes beyond the appointed ending time to allow sufficient time for discussion.)

44. Dr LAU Siu-lai said that many elderly persons did not use CCS although they were in need of such services. This was because they were not aware of the types of CCS available, they were discouraged to use CCS by some frontline staff or there was no interface among different types of CCS. Long waiting time for and poor quality of CCS were also some of their reasons for not using CCS. If improvements were made to CCS, these elderly persons would likely choose to use CCS. As such, the actual demand for CCS could be greater than the projected demand. She urged the Administration to study the needs of elderly persons in greater detail and improve the contents of CCS. She sought information on the types of CCS provided by the Administration and the target waiting time for these services.

45. SLW responded that it was the Administration's objective to improve LTC services holistically and enable elderly persons to age in place. Sharing members' view that CCS should be strengthened to facilitate elderly persons to age in place, the Administration hoped that the demand ratio for RCS and CCS could ultimately be improved to 1:1. To cater for some frail elders' need for RCS, measures had been implemented to increase the provision of subsidized RCS places. It was estimated that an additional 7 000 subsidized RCS places would be provided under the Special Scheme on Privately Owned Sites for Welfare Uses.

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46. Dr LAW Chi-kwong said that according to the information provided by SWD, the average waiting time for day care services and home care services was 10 months and nine months respectively. Comparing the projected demand with the expected service supply (i.e. the total of the existing service supply and the service places to be provided by planned projects), it was estimated that the shortfall for subsidized CCS would be 18 000 places in 2026. It was projected that the increase in the provision of CCS would be at a faster pace than that of RCS. The demand for RCS was expected to decrease gradually through significantly strengthening CCS. Given that the size of elderly population, particularly that of elderly persons aged 85 or above, was expected to increase substantially by 2064, the demand for LTC services would continue to grow. In addition to serving as an assumption in the preparation of the demand projections, the projected reduction in demand for RCS by around 1% every year might also be seen as a target that the Government should strive for. Taking into account a number of assumptions made, it was projected that the demand ratio for RCS and CCS could be gradually lowered to 1:1 over a period of time. Mr LEUNG Kwok-hung said that a projection on the possible decrease in the demand for RCS brought about by the increase in the supply of CCS should be prepared.

47. Dr LAU Siu-lai said that many deputations had called for comprehensive improvements to elderly service policies. She opined that the Administration was chanting the slogan of "ageing in place" without taking any concrete actions. Given that the facilities and standards of EA1 places were not on par with those of subvented or contract RCHEs, increasing the provision of EA1 places was not the solution to the problem. Taking the view that the financial resources required for provision of RCS were much greater than those for CCS and that elderly persons preferred CCS to RCS, she urged the Administration to focus on the development of CCS rather than on RCS.

Manpower shortage problem in the elderly service sector

48. Mr KWOK Wai-keung expressed concern about the manpower shortage problem in the elderly service sector. To his understanding, about half of the 211 trainees of the "first-hire-then-train" pilot project ("the Pilot Project") had withdrawn from the Pilot Project. He called on the Administration to attract new entrants and retain care workers by improving their remuneration and increase manpower supply for the sector.

49. SLW responded that 211 trainees were recruited to take up care work in RCHEs under the Pilot Project and 110 of them were working in the private RCHEs participating in the Pilot Project. The Administration had earmarked about \$147 million to launch the Navigation Scheme for Young Persons in Care Services ("the Navigation Scheme"). The Navigation Scheme would provide

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a total of 1 000 training places in the coming years to encourage young people to join the elderly and rehabilitation care sector. The Administration would also take steps to unleash local labour force to replenish supply of frontline care staff for RCHEs. Importation of labour would only be considered if and when necessary.

50. Mr POON Siu-ping sought information about the initial recommendation of exploring alternative financing options for long-term planning for provision of LTC services, e.g. contributory savings such as LTC insurance. He also enquired about the Administration's estimation on its financial commitment for LTC services and the manpower requirement for the elderly service sector 10 years later. He expressed reservation about importation of labour and enquired about the measures adopted to improve the working conditions so as to attract new entrants to the elderly service sector. He also asked whether the sector would be required to set wages at such levels that could retain care staff.

51. Dr LAW Chi-kwong responded that the Consultant Team had suggested that a multi-pronged approach should be adopted to address shortage of manpower in the elderly service sector. Measures to improve employment conditions (which could include aspects such as remuneration, working hours, etc.), enhance working conditions, re-engineer work process for higher efficiency and modernize electro-mechanical equipment to promote occupational safety should be explored.

Public consultation

52. Mr LEUNG Yiu-chung said that insufficient time was given to the public to give views on ESPP. Sharing a similar view, Mr LEUNG Kwok-hung said that more public forums should be arranged in the 18 districts. SLW responded that subject to availability of suitable venues, more public forums could be arranged. The Administration would enhance publicity on the public forums.

VI. Any other business

53. There being no other business, the meeting ended at 1:14 pm.