

**For discussion on
10 December 2018**

Legislative Council Panel on Welfare Services

**Consultancy Study on the
Long-term Development of Child Care Services**

Purpose

This paper briefs Members on the Final Report of the Consultancy Study on the Long-term Development of Child Care Services (the Study) and the Government's follow-up measures.

Background

2. In January 2015, the Government announced in the report on "Population Policy: Strategies and Initiatives" and the 2015 Policy Agenda the commissioning of the Study to advise on the long-term development of child care services. The Social Welfare Department (SWD) commissioned the Study in December 2016 to the Department of Social Work and Social Administration of The University of Hong Kong. A Steering Committee was set up for overseeing and monitoring the progress of the Study, as well as endorsing the work plan and reports of the relevant Study.

3. After consulting various stakeholders (including Legislative Council Members, The Hong Kong Council of Social Service, non-governmental organisations (NGOs), service users, service operators, women's groups, etc.) on the objectives and scope of the Study and having regard to the views received from different parties, the Study's objectives are set out as below –

- (a) to review the philosophy and policy objectives of day child care services;
- (b) to take stock of the operation modes and service positioning of day child care services;
- (c) to identify service gaps, gauge the demand and supply of day child care services, and explore a systematic and workable service planning mechanism; and
- (d) to advise on the service modes and financing modes of day child care services with reference to the needs of different types of families and

other relevant considerations (e.g. cost-effectiveness, sustainability, etc.).

4. The Study draws on the experience of overseas jurisdictions, takes stock of the existing day child care services in Hong Kong and collects views from various stakeholders (including bureaux/departments, advisory bodies, concern groups, service users/potential service users/non-service users, NGOs, local child care service operators, employers, etc.).

5. We briefed this Panel and various stakeholders (including the relevant advisory bodies) respectively in July and August 2018 this year on the findings of the Interim Report of the Study and the direction of the Study's recommendations. The Study's Final Report has already taken into account the views received from different parties.

Final Report

6. The Final Report of the Study, as endorsed by the Steering Committee, has put forward a series of short-term and long-term recommendations to improve the quality and quantity of child care services in Hong Kong. The key recommendations are summarised as follows:

The Study's Short-term Recommendations

(a) Resources for child care services

Currently, the monthly fees paid by service users of aided standalone child care centres (CCCs)/aided CCCs attached to kindergartens (KGs) amount to an average of about 80% of the service operation costs. To alleviate parents' financial burden, the report proposes that the Government could increase resource allocation in child care services (in particular, CCC services), so as to reduce the monthly fees to be paid by service users.

(b) Provide more subsidies and relax the application threshold for fee subsidy

To support more families in need, the report proposes that the Government could –

- (i) lower the eligibility criteria for subsidies for child care services; and

- (ii) relax the application threshold by adjusting the family income level currently deemed ineligible under the Kindergarten and Child Care Centre Fee Remission System (KCFRS).
- (c) Improve the qualified staff-to-child ratio for children aged 0 to under 3

The report has made reference to the experience of overseas jurisdictions and noted that, having regard to different economic, social and cultural backgrounds of various jurisdictions, their qualified staff-to-child ratios and situations vary from each other. Currently, there is also no international standard in respect of the qualified staff-to-child ratio for children aged 0 to under 3. In respect of the manning ratio for children aged 2 to under 3, by making reference to the qualified KG teacher-to-pupil ratio of 1:11 resulting from the Education Bureau's implementation of Free Quality Kindergarten Education Scheme from the 2017/18 school year onwards, the report proposes that the manning ratio for children aged 2 to under 3 of aided standalone CCCs/CCCs attached to KGs could be enhanced from one child care worker (CCW) for every 14 children (1:14) to one CCW for every 11 children (1:11). For children aged 0 to under 2, the report proposes that as the short-term measure, the manning ratio could be enhanced from one CCW for every eight children (1:8) to one CCW for every six children (1:6), with the continuous enhancement of manning ratio as the long-term target. The report considers that the CCW manning ratio should not be the sole consideration for the quality of child care services.

- (d) Upgrade and improve the qualification and training for CCWs as well as offer training for home-based carers

The report proposes to further improve the quality of child care services by upgrading and improving the qualification and training for CCWs in CCCs. The report proposes that discussion and planning could be held with tertiary and/or post-secondary institutions to increase the enrolment of training programmes of CCWs. For the home-based and volunteer child carers under Neighbourhood Support Child Care Project (NSCCP), the report proposes that the Government could work with service operators to offer training to these carers to facilitate their acquisition of the necessary knowledge and skill so as to promote child development in every aspect.

- (e) Enhance effective dissemination of information and promotion on child care services to potential service users

The report proposes that the Government could enhance the effectiveness of disseminating and promoting information in respect of child care services to the general public (in particular, potential service users) through distributing promotional information and materials to various Government departments/NGOs/relevant organisations and using easily accessible means.

- (f) Improve the service quality of NSCCP

Apart from what was mentioned in item (d) above that service operators should enhance training to home-based child carers so as to improve the service quality, the report proposes that the Government could give more recognition to home-based child carers through increasing their incentive payment as appropriate.

- (g) Re-engineer Mutual Help Child Care Centres (MHCCCs)

The report pointed out that in recent years, the utilisation rate of MHCCCs has been persistently low. In 2017-18, the average utilisation rate of these MHCCCs was only 8%. To optimise the use of public resources, the report proposes that the Government could gradually re-engineer MHCCCs and convert them to provide after-school care services for pre-school children.

- (h) Review the distribution of the Occasional Child Care Services (OCCS)

As some parents find OCCS useful in supporting their need for occasional child care support, the report proposes that the Government could, on the basis of the supply and demand situation of different districts, re-distribute the existing OCCS places among various service units.

The Study's Long-term Recommendations

- (i) Enhance the quality of child care services by embracing and incorporating the elements of child development and care in its future development as in other jurisdictions

In response to the global trend, the report proposes that the long-term development of child care services in Hong Kong could draw reference from the Model of Early Childhood Education and Care implemented in other overseas jurisdictions while taking into account local contexts and the expectation of parents as appropriate. The report proposes that the existing training programmes in CCCs could be re-examined by using the care and development framework to ensure that these programmes can bring out the best interests for children's development.

- (j) Establish an appropriate planning mechanism and review continuously in order to have sufficient places for child care provision

The report, by making reference to the result of the questionnaire surveys and the existing situation of child care services (including the service utilisation rate, the proportion between aided and private child care services, CCC places, etc.) and comparing them with the relevant data of the 2016 Population By-census, and with a concrete statistical model, estimated the demand for child care services and proposes formulating a planning ratio for CCC places for children aged below 3 at 103 aided CCC places per 20 000 general population. Nonetheless, the planning ratio concerned would need to be reviewed continuously to reflect the continual change of household composition in Hong Kong.

- (k) Upgrade and enhance the financial monitoring system, procedures and guidelines to facilitate the development of centre-based child care services

The report proposes that there should be more coordination and communication between bureaux/departments to enhance and streamline the administrative procedures as necessary. Besides, while it is still for the Government to have control on the expenditure on aided centre-based child care services, child care service providers could be given more flexibility to enhance the performance and effectiveness in respect of the use of the expenditure.

- (l) Develop a set of quality indicators for monitoring and assessment based on child care development and reference from international experiences

The report proposes that the Government could develop a set of quality checklist with reference to international experience to evaluate child care services having regard to the overall development and well-being of children.

- (m) Explore the feasibility of developing a more efficient and cost effective financing mode to cater for different types of families to increase its coverage and enhance cost-effectiveness

The report proposes that the Government could explore the adoption of multi-layer financing mode, e.g. the more affordable families would pay more service fee while those less affordable would receive higher Government subsidies, so that the Government resources would gear to benefit families with higher social needs.

- (n) Conduct evaluation on child care services on a regular interval to assess its development

The report proposes that the Government could conduct regular evaluation to keep up-to-date with the universal child care policies and gain insight from other jurisdictions.

The Government's Follow-up Measures

7. The Government accepts in principle the recommendations on the long-term development of child care services in the Final Report. In fact, to enhance child care service quality as soon as practicable and in response to the community's demand, the Government, after making reference to the major recommendations of the draft Final Report of the Study, has already proposed a series of initiatives in the Policy Address this year with a view to improving the quality of child care services (please see Annex).

Integrating Care and Development

8. This Study pointed out that the global trend is to integrate the early child "care" and "education", so as to enhance the holistic development of children. The definition of child "education" as pointed out by the Study does not refer to development in academia, but refers to child development in terms of languages, senses, social contact, emotional expression and so forth through programmes/games in an interactive way which enable children to explore the environment. The Government understands that the crux of early child care/education is to meet the child developmental needs, and recognises the integration of "care" and "development". To further tie in with this concept, the Government would initiate new measures to enhance child care services.

Formulating Planning Ratio for the provision of CCC places

9. In view of the keen community demand for CCC service, the SWD is committed to setting up more aided standalone CCCs subject to compliance with the Child Care Services Ordinance (CCSO) (Cap. 243) and the Child Care Services Regulations (CCSR) (Cap. 243A) in order to meet the service need, and to support women in fulfilling work and family commitments. To enhance the long-term planning of child care services, the Government accepts the recommendations of the Final Report to set a planning ratio for CCC places, and to set the ratio for children aged below 3 at 103 aided CCC places per 20 000 general population. We plan to incorporate the aforementioned planning ratio into the Hong Kong Planning Standards and Guidelines in 2019-20 to facilitate the planning and reservation of suitable premises for operating CCCs.

Increasing the Level of Subsidy for CCC Service

10. The Government will increase the level of subsidy for CCC service within the 2019/20 school year. This comprises full funding for the cost of the proposed increase of manning ratios for CCWs (please see paragraph 11 below), as well as additional subsidy with a view to alleviating parents' financial burden in paying service fee. The Government aims to ease the pressure on increasing the service fee and as a step further, discuss with the operators the feasibility and scope of reducing the service fee. On the other hand, to support families in need, the Government will also explore the feasibility of enhancing the KCFRS.

Enhancing the manning ratio for qualified CCWs serving in day and residential CCCs

11. In accordance with the CCSO (Cap. 243) and the CCSR (Cap. 243A), the existing manning ratios for CCWs working in day CCCs are: one CCW to eight children aged under 2, and one CCW to 14 children aged 2 to under 3. As more knowledge and skills are required for taking care of young children, and parents' expectation of quality service provided by CCCs (including the care and training of children) has been rising, the service sector has been requesting for the improvement of manning ratio for CCCs so as to ease the workload of CCWs and upgrade the quality of child care service. As such, after drawing reference to the Study's recommendations, the Government accepts the proposed manning ratio as set out in paragraph 6(c) above, and will enhance within the 2019/20 school year the existing qualified staff-to-child ratio of day and residential CCCs to 1:6 for children aged 0 to under 2, and 1:11 for children aged 2 to under 3, so as to improve service quality.

Enhancing the Qualification and Training for CCWs

12. As regards the enhancement on the qualification and training for CCWs, the Government will review in consultation with the child care service operators the objectives and curriculum of the relevant CCC supervisor/CCW training courses currently offered by tertiary institutions and recognised by the SWD.

Enhancing the Service Quality of NSCCP

13. Since October 2014, the Government has strengthened the quality and quantity of NSCCP by uplifting the age limit of the service targets from aged under 6 to aged under 9; increasing at least 234 places for home-based child care service which makes the total number of places from at least 720 to at least 954; as well as allocating additional resources to the service operators to strengthen the social work support for the service, including the enhancement of service administration and supervision, training of home-based child carers, and so forth. To meet the development and demand for child care service, the Government, by drawing reference to the recommendations of the Study, will enhance the service quality of NSCCP by strengthening the training for home-based child carers and raising their incentive payments within 2019-20. The Government will work out the implementation details including the training and funding allocation in consultation with the service operators of NSCCP.

Re-engineering the existing MHCCCs by phases

14. MHCCCs, which are operated by NGOs on a fee-charging and self-financing basis, provide flexible child care service to children aged below 3 (if necessary, children aged below 6 could also use the service) and facilitate mutual help and care within the community. Currently, there are 19 MHCCCs in operation in the territory, providing a total of 261 places. The Government accepts the recommendation proposed by the Study that, in response to the persistently low utilisation rate of MHCCCs in recent years, the existing MHCCCs could be re-engineered in phases to optimise the use of public resources. The SWD will re-engineer from 2019-20 onwards the existing MHCCCs in phases and consider converting them to provide after-school care service for pre-school children so as to further meet the child care needs in the community. The SWD will discuss the details with the operators of MHCCCs.

Other recommendations

15. For other recommendations proposed by the Final Report, including promotion on and dissemination of information on child care services, review on the distribution of OCCS, enhancement on the monitoring system, streamlining

of administrative procedures, assessment of service quality, enhancement on the cost-effectiveness, etc., the Government will examine the follow-up measures or explore the feasible options. If the recommendations are considered appropriate, the Government will introduce relevant measures in a timely manner.

16. We will conduct engagement sessions later this month for relevant stakeholders (including child care service operators) and relevant advisory bodies respectively, so as to brief them on the findings of the Final Report and the recommendations of the Study.

Advice Sought

17. Members are invited to note and provide views on the content of this paper.

**Labour and Welfare Bureau
Social Welfare Department
December 2018**

**2018 Policy Address
Major Initiatives on Enhancing Child Care Services**

- Enhancing child care services to integrate care and development, so as to meet child developmental needs;
- Formulating planning ratio for the provision of child care centre (CCC) places;
- Enhancing the existing manning ratios for qualified child care workers (CCWs) serving in day and residential CCCs within the 2019/20 school year so as to improve service quality;
- Increasing the level of subsidy for CCC service within the 2019/20 school year so as to alleviate parents' financial burden in paying service fees;
- Enhancing the service quality of the Neighbourhood Support Child Care Project by strengthening the training for home-based child carers and raising their incentive payments within 2019-20;
- Re-engineering in phases the existing Mutual Help Child Care Centres from 2019-20 onwards so as to further meet the child care needs in the community; and
- Exploring the provision of after-school care services for children aged 3 to 6 in suitable welfare facilities settings.