

**For meeting
on 12 May 2000**

Legislative Council Panel on Welfare Services

“Promoting Self-reliance Strategy”

PROBLEM

Most able-bodied CSSA recipients and people in other socially disadvantaged groups would like to work and become self-reliant. But many of them would require active employment assistance and other support services to overcome barriers to work and lead an independent life.

PROPOSAL

2. We propose to implement a package of measures in 2000-01 to promote self-reliance as follows -

- (a) to extend the Active Employment Assistance (AEA) programme to all unemployed able-bodied CSSA recipients;
- (b) to offer active employment assistance to single-parents and low-income CSSA recipients;
- (c) to offer special employment assistance to unemployed and single-parent CSSA recipients by -
 - (i) commissioning non-governmental organizations (NGOs) to provide tailor-made intensive employment assistance;
 - (ii) launching a special job attachment programme;
 - (iii) launching a pilot job matching programme;
- (d) to remove the restrictions on disregarded earnings for employable able-bodied CSSA recipients;
- (e) to provide additional home/community care services; and
- (f) to strengthen support services for working parents, single-parent families, new arrivals, victims of domestic violence etc.

JUSTIFICATION

Extension of the AEA programme to all unemployed able-bodied CSSA recipients

3. The AEA programme was launched as part of the Support for Self-reliance (SFS) Scheme on 1 June 1999. The objective of the programme is to provide additional employment related assistance to help and encourage unemployed CSSA recipients to seek work.

4. The AEA programme is proving effective in moving unemployed CSSA recipients towards self-reliance. Since its implementation in June 1999, there has been a 21% decrease in the number of CSSA unemployment cases. We propose to extend the programme progressively to cover all unemployment cases (25 500) and low-income cases where the able-bodied recipient is not working full-time (1 200). We therefore have to employ 103 "Employment Assistance Co-ordinators" (EA Co-ordinators) who will be organised in five regional Employment Assistance Teams (EA Teams).

5. To provide supervision, we will create five Social Security Officer I (SSO I) posts to serve as team leaders. Another SSO I post will be created at the headquarters to co-ordinate the work of the regional teams. These posts will be filled by permanent social security grade staff by internal re-deployment of resources.

6. The total annual recurrent staff cost for employing the 103 EA Co-ordinators is \$15.6 million.

Active employment assistance for low-income and single-parent CSSA recipients

7. At present, CSSA low-income recipients who are working full-time and single parent recipients whose youngest child is below 15 are not required to join the AEA programme. We propose in future to invite them to join on a voluntary basis so as to empower them to move towards self-reliance. The objective is to provide opportunities for low-income recipients to upgrade their work skills so that they can find better-paid jobs and move off benefit eventually. Single parents will be offered support tailored to their individual needs and circumstances to assist them to participate in paid work.

8. It is estimated that 1 900 low-income and 11 000 single-parent CSSA recipients will join the programme during 2000-01. It is proposed that 28 EA Co-ordinators be employed to provide services to these groups. The annual recurrent staff cost is \$4.2 million.

Special employment assistance for unemployed and single-parent CSSA recipients

Intensive employment assistance programmes

9. Unemployed CSSA recipients who have been out of work for a longer period may need more intensive assistance to rejoin the work force. We believe it would be more effective if NGOs with knowledge and experience in providing employment assistance and retraining services are appointed to run tailor-made programmes for CSSA recipients who have left the job market for a considerable period of time. The contents of such programmes would likely include intensive counselling, help with motivation to work, job matching and placement, and post-placement service. We believe that these programmes would enhance the participants' success rate in securing employment.

10. We propose to create a new Capital Account commitment of \$36 million for the setting up of an Intensive Employment Assistance Fund which will provide funding for these programmes during the three-year period from 2000-01 to 2002-03. The Fund will be administered by the SWD and the proposed criteria for allocation of funds are at Enclosure 1. Projects financed by the Fund should be non-profit making and must illustrate how they would help CSSA recipients rejoin the workforce.

11. We estimate that about 6 000 CSSA recipients will benefit from these projects each year.

Special job attachment programme

12. Overseas experience has shown that on-the-job training is effective in helping unemployed welfare recipients to rejoin the workforce because it is important to keep disadvantaged job-seekers in touch with actual work environment and attached to the labour force.

13. We propose to implement a special job attachment programme for CSSA single-parent and unemployed recipients to enable them to gain real working experience and skills required by employers, develop work habits and widen their social network. NGOs will be invited to provide training, job attachment opportunities and placement service for the participants in each of the 13 SWD districts. The attachment period is proposed to be six months, during which SWD will provide each participant with a monthly allowance of \$1,805 to cover any additional expenses that they may incur.

14. This programme aims to provide attachment opportunities to 600 to 800 unemployed and single-parent CSSA recipients a year. The estimated annual cost is \$15.2 million (including \$6.5 million for commissioning of NGOs and \$8.7 million for payment of job attachment allowance).

Pilot job matching programme

15. SWD will develop in conjunction with the Labour Department (LD) and the Employees Retraining Board (ERB) a pilot programme to provide retraining and job matching services for about 200 unemployed CSSA recipients in 2000-01. Under the pilot programme, SWD will select CSSA recipients who are ready for employment. The LD will provide them with job matching services for suitable vacancies and the ERB will provide them with necessary retraining, where appropriate, so that they could take up the jobs.

16. The costs involved in selecting, matching and training the participants in this pilot project will be absorbed by SWD, LD and ERB.

Relaxation of restrictions on disregarded earnings for employable able-bodied CSSA recipients

17. An employable able-bodied CSSA recipient is currently entitled to a monthly earnings disregard of up to \$1,805 on condition that he is working no less than 120 hours and earning no less than \$3,200 a month.

18. To encourage able-bodied CSSA recipients to take up any paid job available, we propose that with effect from 1 July 2000, able-bodied CSSA recipients should no longer be required to satisfy any minimum income and working hour requirements. The amount of earnings to be disregarded will be calculated by disregarding the first \$451 and 50% of their earnings between \$452 and \$3,159. This new arrangement will be reviewed after two years.

Provision of additional home/community care services for the elderly

19. Most frail elderly people are living at home and are cared for by their family members. SWD estimates that about 2 600 able-bodied adults are receiving CSSA because they need to stay at home to take care of their frail or disabled family members, and 1 400 of them are below the age of 50. Provision of additional home and community care services would enable these able-bodied adults to go out to work, at least on a part-time basis. This would enable them to resume full time employment quickly when they no longer have to care for their dependent family members at home.

20. The Health and Welfare Bureau has commissioned a consultancy study to review the current provision of community care and support services for the elderly and their families. The objective is to enhance the provision of care services for the frail elderly so that they could continue to live at home. The study is expected to be complete by mid July 2000.

21. We propose to allocate \$64 million for the provision of additional home and community care services for the elderly starting from 2000-01. Detailed planning of the new services will take into account the results of the

consultancy study. We will present results of the study to Members when they are available.

Strengthening of support services for working parents, single-parent families, new arrivals and victims of domestic violence

Provision of extended hours service in child care centres

22. Legislators, parents and women's groups have frequently expressed concern about the need to extend the operation hours of child care centres, which are from 8 a.m. to 6 p.m. on Monday to Fridays and from 8 a.m. to 1 p.m. on Saturdays. The extended hours service would help single and working parents to join or continue in the workforce, work longer hours, or join retraining programmes and thus reduce reliance on CSSA. It would also help tackle the problem of children left unattended at home.

23. It is proposed to subsidize an extended hours service in 100 aided child care centres, located in districts with higher numbers of single parents, new arrivals, and working parent families, within 2000-01. There would be 14 places in each centre, making a total of 1 400 places. The service will extend the care hours to 8 p.m. from Monday to Saturdays. Families who cannot afford the fees (\$13 per hour) because of temporary financial hardship can apply for assistance from charitable trust funds, and CSSA recipients can apply for a special grant to meet the fees if they are required to use the extended hours service because of their work.

24. The annual recurrent cost for implementing this proposal is \$16.7 million.

Subsidized after-school-care programme (ASCP)

25. ASCP provides half day supportive care services for children aged 6 to 12 who would otherwise be left unattended after school by their working parents or parents who are unable to provide proper care for them. ASCP is usually operated in two sessions, i.e. 8 a.m. to 1 p.m. and 1 p.m. to 6 p.m. The activities provided by ASCP include homework guidance, meal service, parents guidance and education, skill learning and other social activities.

26. The proposed subsidy scheme aims to help the target group described in paragraph 25 and also to meet the needs of working parents, in particular CSSA recipients, low-income families, single-parent families and new arrival families etc, so that they can join the work force and attend re-training courses. It would also help tackle the problem of children left unattended at home.

27. It is proposed to subsidize 6 000 ASCP places operated by NGOs. Fees will be fully waived for CSSA cases and non-CSSA cases but within the CSSA eligibility brackets where the parent is going to take up paid employment or attend training/re-training programmes and the child would otherwise be left unattended at home after school. Half fee reduction will be granted to other low-income families as recommended by referring social worker or social worker of the operating organization of ASCPs.

28. The annual recurrent cost for implementing this proposal is \$21 million.

Strengthened service for single parent families

29. With the significant increase of CSSA single-parent cases (from about 9 000 as at the end of March 1996 to more than 25 000 as at the end of March 2000), it is necessary to provide proactively a package of services focusing on meeting single parent families' special needs, overcoming their problems and reliance on CSSA, and restoring their resilience and self-reliance in the long run. The proposed package of services includes supportive counselling on adjustment to single parenthood, providing resource information, organizing mutual help groups to facilitate networking and mutual aid in child care and shared jobs, arranging training programmes on child-minding and facilitating matching between parents and child-minders. One such centre operated by NGOs will be set up in each of the five SWD regions. The estimated number of beneficiaries is 6 000.

30. The annual recurrent cost of implementing this proposal is \$8.5 million.

Pre- and post-migration services for new arrivals

31. To enhance self sufficiency of new arrivals, we plan to improve both pre- and post-migration services for the new arrivals. A focused pre-migration service which starts in the Mainland and a post-migration programme provided in Hong Kong will help reduce adjustment problems and enable early intervention if problems associated with child rearing, marital relationship and social functioning, etc arise. The pre-migration service includes preparation and support programme and language classes at the pre-migration stage. The post-migration service includes orientation programmes, language and tutorial classes, social/mutual help groups, counselling, activities to strengthen family education, and referral assistance at the post-migration stage.

32. It is proposed to set up four pre-migration centres on the Mainland, to open four post-migration centres in Hong Kong and to strengthen the existing four post-migration centres in Hong Kong. The number of beneficiaries of the pre-migration service is estimated at over 3 000 and of the additional post-migration services 5 000 per year.

33. The annual recurrent cost for implementing this proposal is \$16.5 million.

Strengthening services for domestic violence cases

34. This proposal aims to strengthen protection for victims of domestic violence, to help them recover from the effects of trauma, resume normal functioning, become self-reliant and reduce long-term dependence on welfare services and CSSA. Five Family and Child Protective Service Units (FCPSUs)/SWD, one in each of the five SWD regions, provide a one-stop service for domestic violence and child abuse cases.

35. Research has confirmed the long-term psychological damage on children witnessing domestic violence if the problem is left unaddressed. Cases of such complexity have to be handled by senior social work practitioners at Social Work Officer (SWO) rank, working with clinical psychologists (CPs) to provide effective intervention and therapeutic treatment. To cope with the increase in demand, it is proposed to create eight additional SWO posts and employ one additional CP on non-civil service contract terms for the FCPSUs.

36. Services provided by the three refuge centres for women also need strengthening. These centres now admit cases on a 24-hour basis. Intervention by social workers aims to help victims overcome the trauma, rebuild confidence and self-esteem, as well as to sort out their feelings and make future plans for child care, employment, accommodation etc. so that they can regain self-reliance as soon as possible. Strengthened group service for child victims would also help them recover from their experience. The present provision of two social workers (one Assistant Social Work Officer and one Social Work Assistant) cannot cope with these work demands. Additional social work input by one more Senior Social Work Assistant (SSWA) for each of these three centres is required.

37. The annual recurrent cost for implementing this proposal is \$1.8 million. The eight SWO and one SSWA posts for SWD, if created, will be met through the permanent redeployment of resources within the department's Head of Expenditure. There will not be an increase in the size of the department's establishment.

FINANCIAL IMPLICATIONS

38. We estimate that the package of measures proposed will result in additional capital expenditure of \$36 million (for setting up the Intensive Employment Assistance Fund) and annual recurrent expenditure of \$163.5 million as follows:

	\$ million
(a) extension of the AEA programme to all unemployed CSSA recipients	15.6
(b) active employment assistance for low-income and single-parent CSSA recipients	4.2
(c) special job attachment programme for unemployed and single-parent CSSA recipients	15.2
(d) Provision of additional home/community care services for the elderly	64.0
(e) strengthening of support services for working parents, single-parent families, new arrivals and victims of domestic violence:	
(i) Provision of extended hours service in child-care centres	16.7
(ii) provision of subsidized after-school-care programme	21.0
(iii) provision of packaged services for single parents by special teams of social workers	8.5
(iv) provision of special pre-migration and post-migration services for new arrivals	16.5
(v) enhanced services for victims of domestic violence	1.8
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Total	<hr/> 163.5 <hr/>

39. It is estimated that the relaxation of the eligibility criteria of disregarded earnings will benefit 2 000 CSSA recipients. It is nevertheless difficult to assess its financial implications. Whilst the relaxation may lead to increases in CSSA payment in some cases, it may encourage some other unemployed recipients to take up job offers, hence resulting in lower levels of payments to these cases.

40. We have earmarked funds under Head 106 Miscellaneous Services Subhead 251 Additional Commitments for the implementation of the proposed package of measures.

41. Given that many of the proposed programmes are new initiatives, we propose to evaluate in three years' time the effectiveness of these programmes and the adequacy of the resources, including manpower, deployed to implement them. We will then decide whether to continue these programmes after 2002-03 and, if so, the resources required. As regards those direct support services for the disadvantaged (paragraph 38(d) and (e) above), we believe that there will be a continuing need for these services.

THE WAY FORWARD

42. We intend to seek the approval of the Finance Committee for the implementation of measures as set out in paragraphs 2 above shortly.

BACKGROUND INFORMATION

43. The CSSA Scheme provides a safety net for individuals and families who are unable to support themselves financially. An explanatory note is at Enclosure 2.

44. The Administration completed a review of the CSSA Scheme in 1998, the objective was to encourage and help able-bodied recipients to move towards self-reliance. A final package of measures, including the Active Employment Assistance (AEA) programme, was implemented on 1 June 1999. Under the AEA programme, staff of SWD will help unemployed able-bodied CSSA recipients to develop personalized action plans to find work. The caseworkers will also provide information on employment and training opportunities, make necessary referrals, and help the participants identify and overcome barriers to work. The unemployed recipients will also be arranged to perform community work one day a week. The objective is to provide opportunities for them to contribute to the community, develop work habits, improve self-esteem and confidence, and widen their social circles.

45. Results of the initial period of implementation are encouraging. By March 2000, 8% of the AEA participants had found a job. This compares favourably with the Labour Department's placement rate of 1% for unemployed CSSA recipients under the previous arrangements. The initial success of the AEA Scheme shows that most employable CSSA recipients do not wish to rely on CSSA indefinitely. And with additional assistance, many of them can become self-reliant.

46. The Financial Secretary announced in his Budget Speech on 8 March 2000 that the Government had set aside \$200 million in 2000-01 for the implementation of the Promoting Self-reliance Strategy to offer targeted assistance to help the unemployed, low-income and single-parent CSSA recipients become self-reliant and strengthen support services for various vulnerable groups to prevent them from falling into the CSSA net.

Health and Welfare Bureau
May 2000

Proposed Funding Criteria for the Intensive Employment Assistance Fund

1. An applicant should be a bona fide non-profit making NGO.
2. Projects must be beneficial to the CSSA recipients, aimed specifically at the goal of helping them to join/rejoin the work force.
3. The following points must be taken into consideration before approving an application :
 - (i) the assistance that a project will likely give the CSSA recipients;
 - (ii) the target groups' need for such a project;
 - (iii) whether there is any duplication of service with that already sufficiently offered by other organizations;
 - (iv) the project management capabilities and relevant experience of the applicant NGO;
 - (v) whether the implementation schedule of the proposed project is well planned and whether the time required for implementation is reasonable;
 - (vi) whether the proposed budget is reasonable and feasible; and
 - (vii) the period required for a project involving recurrent expenditure.

The Comprehensive Social Security Assistance Scheme

Introduction

The Comprehensive Social Security Assistance Scheme is designed to provide a safety net for individuals or families who are unable to support themselves financially because of age, disability, illness, low earnings, unemployment or family circumstances. It provides cash assistance to bring the income of such individuals or families up to a prescribed level to meet their basic and essential needs.

Eligibility

2. The Scheme is non-contributory and means-tested. Applicants are required to satisfy a one-year residence requirement. In addition, unemployed adults in normal health and available for work are required to actively seek work as a condition of receiving assistance.

Payment

3. The amount of assistance is determined by the resources and needs of the applicant and his family members. The difference between the family's total assessable monthly income and the family's total monthly needs as determined by reference to certain prescribed levels, will be the amount of assistance payable.

4. The Scheme embraces different standard rates to meet normal day-to-day living needs, such as food, fuel and light, clothing and footwear, of broad categories of recipients.

5. In addition, an annual long-term supplement is paid to those who are old, disabled or medically certified to be in ill-health and who have been receiving assistance continuously for more than 12 months for the replacement of household and durable goods. A monthly supplement is also paid to single parents in recognition of the special difficulties they face in bringing up families on their own without the support of spouses.

6. Apart from the standard payments, non-standard payments in the form of special grants are payable to cover rent, water charge, burial expenses, education expenses and child care centre fees. Recipients who are old, disabled or medically certified to be in ill-health are also entitled to other special grants to meet their special needs such as medically recommended diets and appliances.