Introduction

The Chief Executive delivered her 2017 Policy Address on 11 October 2017. This paper sets out the new and on-going welfare initiatives pertaining to the Labour and Welfare Bureau (LWB) and Social Welfare Department (SWD) in the 2017 Policy Address and Policy Agenda.

Summary of New Initiatives

2. The new initiatives in the 2017 Policy Address and Policy Agenda are summarised as follows:

- Improve the Low-income Working Family Allowance (LIFA) Scheme (see paragraphs 4 to 7 below);

- Explore the continuous provision of subsidy through the Community Care Fund (CCF) for Comprehensive Social Security Assistance (CSSA) households living in rented private housing and paying rents exceeding the maximum rent allowance under the CSSA Scheme (see paragraph 8 below);

- Provide an additional 1 000 vouchers (bringing the total to 6 000) under the Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly (see paragraph 11 below);

- Organise territory-wide public education activities to enhance public understanding of dementia, and allocate more resources to service units providing community care and support services for the elderly to enhance the provision of dementia care service and related staff training (see paragraph 12 below);

- Allocate more resources to elderly centres and home care services teams to enhance outreaching services for supporting those needy
carers living in the community and looking after frail elderly persons (see paragraph 13 below);

- Plan to reinstate the population-based planning ratios for elderly services in the Hong Kong Planning Standards and Guidelines (HKPSG) (see paragraph 14 below);

- Earmark $1 billion for setting up a fund to subsidise elderly service units to try and procure technology products, and commission the Hong Kong Council of Social Service (HKCSS) to promote the use of technology among welfare organisations and carers. The initiatives will also cover rehabilitation service units (see paragraph 15 below);

- Provide additional resources for subsidised elderly service units to increase the salaries of personal care workers and home helpers. The initiative will also cover similar posts in service units of subsidised rehabilitation services as well as family and child welfare services (see paragraph 16 below);

- Consider allowing subsidised units of elderly and rehabilitation services greater flexibility in the importation of care workers (see paragraph 17 below);

- Implement a series of measures to continuously strengthen the monitoring of residential care homes for the elderly (RCHEs) and residential care homes for persons with disabilities (RCHDs) and enhance their service quality (see paragraphs 18 and 19 below).

- Prepare for the formulation of a new Hong Kong Rehabilitation Programme Plan (HKRPP) for persons with disabilities (see paragraph 21 below);

- Increase the number of places of pre-school rehabilitation service, day service and residential service and places provided under the Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities; and enhance care and support services for ageing service users through various measures (see paragraph 22 below);

- Provide clinical psychological service to strengthen support for ex-mentally ill persons and enhance support for children of ex-mentally ill persons through integrated community centres for mental wellness (ICCMWs) (see paragraph 23 below);
• Enhance support for persons with disabilities and their families through rehabilitation and training centres for visually impaired persons and multi-service centres for hearing impaired persons (see paragraph 23 below);

• Set up a medical social service unit at the newly commissioned Hong Kong Children’s Hospital and strengthen the professional support provided by medical social workers in the Child Assessment Centres of the Department of Health and the general and psychiatric hospitals of the Hospital Authority (HA) (see paragraph 24 below);

• Regularise the Pilot Scheme on On-site Pre-school Rehabilitation Services starting from the 2018/19 academic year with additional service places (see paragraph 25 below);

• Regularise the Pilot Project on Strengthening Support for Persons with Autism and their Parents/Carers (see paragraph 26 below);

• Set up a “special needs trust” to provide affordable trust services for parents of children with special needs (see paragraph 27 below);

• Increase the allowance for employers under the Work Orientation and Placement Scheme; provide job attachment allowance for trainees of supported employment service and wage subsidy for employers offering job trials to these trainees; and strengthen post-placement follow-up service in vocational rehabilitation service units (see paragraphs 29 and 30 below);

• Set up a new fund to foster arts development for persons with disabilities (see paragraph 31 below);

• Enhance support for the operation and development of self-help organisations through providing funding for the Financial Support Scheme for Self-help Organisations for Persons with Disabilities/Chronic Illnesses (see paragraph 32 below);

• Extend the short-term food assistance service projects for three years until 2021 (see paragraph 33 below);

• Inject $400 million into the Partnership Fund for the Disadvantaged (PFD) (see paragraph 34 below);
• Inject $300 million into the Child Development Fund (CDF) (see paragraph 35 below);

• Inject $50 million into the Trust Fund for Severe Acute Respiratory Syndrome (SARS) (see paragraph 36 below);

• Prepare for the establishment of a Commission on Children in mid-2018 (see paragraph 37 below);

• Strengthen the care manpower of residential child care services (see paragraph 38 below);

• Implement an environment improvement programme for small group homes (see paragraph 39 below);

• Provide about 300 additional places at aided child care centres (CCCs) starting from 2018-19 (see paragraph 40 below);

• Launch the Pilot Scheme on Relaxing the Household Income Limit of the Fee-waiving Subsidy Scheme under the After School Care Programme for Low-income Families and Increasing Fee-waiving Subsidy Places (see paragraph 41 below);

• Strengthen the co-parenting support for divorced/separated parents and their children (see paragraph 42 below);

• Discuss with the welfare sector how to optimise the Lump Sum Grant Subvention System (LSGSS) (see paragraphs 43 to 46 below);

• Encourage private developers to provide various welfare facilities in their development projects (see paragraph 47 below);

• Explore the feasibility of purchasing premises for the operation and provision of elderly and rehabilitation services (see paragraph 47 below); and

• Streamline the application and project management procedures of the Community Investment and Inclusion Fund (CIIF) (see paragraph 48 below).
Details of Policy Priorities/New Initiatives

Poverty Alleviation

3. The Government’s philosophy in poverty alleviation is to encourage and support people capable of working to achieve self-reliance through employment, and put in place a reasonable and sustainable social welfare system.

Policy Review on the LIFA Scheme

4. The LIFA Scheme was launched in May 2016. Its objective is to encourage self-reliance of low-income families not receiving CSSA through employment, with a focus on supporting children and youth in these families to alleviate inter-generational poverty.

5. The current-term Government commenced a comprehensive policy review of the LIFA Scheme as soon as it assumed office in July this year, with a view to making improvements as soon as possible to benefit more working households. Having considered the stakeholders’ views on the LIFA Scheme and various factors, the 2017 Policy Address announced a series of enhancements to the LIFA Scheme—

(a) Extending the Scheme to cover singleton households;

(b) Adding a tier of income limit of 70% of the Median Monthly Domestic Household Income (MMDHI) and using the MMDHI of economically active households instead for calculating the income limits;

(c) Adding a tier of working hour requirement of 168 hours per month for non-single-parent households; and adding a tier of 54 hours per month for single-parent households. Households fulfilling the relevant working hour requirement will receive a higher rate of allowance;

(d) Allowing all household members to aggregate their working hours; and

(e) Raising all the rates of allowances, and adding an additional tier of 3/4 rate between the existing full rate and half rate allowances.

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1 The existing Scheme adopts MMDHI of households for calculating the income limits.
2 For a household which cannot fulfil the relevant working hour requirement under the existing mechanism, if there is more than one working member in the household, it may become eligible under the arrangement where working hours are allowed to be aggregated.
6. The LIFA Scheme will also be renamed as the Working Family Allowance Scheme. Key parameters of the Working Family Allowance Scheme are tabulated below. The Government plans to brief Members on the details of the enhancements at the Panel meeting in November 2017, and expects the relevant enhancements to be implemented on 1 April 2018.

**Key Parameters of the Working Family Allowance Scheme**

<table>
<thead>
<tr>
<th>Allowance Type</th>
<th>Full rate monthly allowance (monthly household income not higher than 50% MMDHI of economically active households)</th>
<th>3/4 rate monthly allowance (monthly household income of more than 50% but not higher than 60% MMDHI of economically active households)</th>
<th>Half rate monthly allowance (monthly household income of more than 60% but not higher than 70% MMDHI of economically active households)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic Allowance:</td>
<td>$800</td>
<td>$600</td>
<td>$400</td>
</tr>
<tr>
<td>monthly working hours</td>
<td>monthly working hours of at least 144 hours (single-parent households: 36 hours)</td>
<td>monthly working hours of at least 168 hours (single-parent households: 54 hours)</td>
<td>monthly working hours of at least 192 hours (single-parent households: 72 hours)</td>
</tr>
<tr>
<td>Medium Allowance:</td>
<td>$1,000</td>
<td>$750</td>
<td>$500</td>
</tr>
<tr>
<td>monthly working hours</td>
<td>monthly working hours of at least 168 hours (single-parent households: 54 hours)</td>
<td>monthly working hours of at least 192 hours (single-parent households: 72 hours)</td>
<td></td>
</tr>
<tr>
<td>Higher Allowance:</td>
<td>$1,200</td>
<td>$900</td>
<td>$600</td>
</tr>
<tr>
<td>monthly working hours</td>
<td>monthly working hours of at least 192 hours (single-parent households: 72 hours)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Allowance:</td>
<td>$1,000</td>
<td>$750</td>
<td>$500</td>
</tr>
<tr>
<td>(Each child or youth)</td>
<td></td>
<td></td>
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</tbody>
</table>

Note: Old Age Living Allowance (OALA) will be disregarded for the income test.

7. Upon the implementation of the enhancements mentioned above, it is envisaged that the Working Family Allowance Scheme would basically cover the applicants of the household-based Work Incentive Transport Subsidy (WITS). Therefore, the household-based WITS application

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3 Applications submitted on or after that date will be processed according to the details of the enhanced Scheme.
arrangement will be abolished at the same time when the enhancements are implemented. Separately, the Working Family and Student Financial Assistance Agency (WFSFAA) will proceed with the enhancement of its information technology system. Upon completion of such works, WFSFAA will take over the processing of the individual-based WITS applications from the Labour Department.

Providing Subsidy through the Community Care Fund (CCF) for Eligible CSSA Households

8. In the past few years, the CCF has been providing one-off subsidy for CSSA households living in rented private housing and paying rents exceeding the maximum rent allowance under the CSSA Scheme. The Government will explore the continuous provision of subsidy from the CCF.

Care for the Elderly

9. Our objective in elderly services is to enable our senior citizens to live in dignity and provide suitable support for them to promote their sense of belonging, sense of security and sense of worthiness. The Government will continue to offer hardware and policy support to promote “active ageing” while taking care of the service needs of frail elderly persons. The Government strives to provide quality and cost-effective long-term care services for those elderly persons in need under the policy of promoting “ageing in place as the core, institutional care as back-up”. In view of the challenges of an ageing population, the Elderly Commission, tasked by the Government, has completed the Elderly Services Programme Plan (ESPP). The ESPP has laid the foundation of the future development and planning of elderly services, and some of the recommendations will be implemented in the short term.

Supporting Ageing in Place for the Elderly

10. One of the key strategic directions of the ESPP is to significantly strengthen community care and support services, especially the support provided for elderly persons discharged from hospitals after treatment and those with mild impairment. The Government has obtained funding from the CCF to implement pilot schemes to take forward these two recommendations. The Pilot Scheme on Home Care and Support for Elderly Persons with Mild Impairment is expected to be launched in December 2017, with a preliminary estimate of 4,000 service places to be provided in three years. Meanwhile, the Pilot Scheme on Support for
Elderly Persons Discharged from Public Hospitals After Treatment is expected to be launched in early 2018, with support to be provided for a preliminary estimate of at least 3 200 elderly patients in three years.

11. The Government is continuing to implement the Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly financed by the Lotteries Fund. Since August 2017, an additional 2 000 vouchers have been provided, bringing the total to 5 000, to meet the keen service demand. In late July 2017, the SWD issued invitation to eligible elderly persons to apply for the additional 2 000 vouchers. The response has been positive with over 1 100 applications for vouchers received during a period of more than two months up to early October 2017. To further strengthen community care and support services, the Government plans to provide an additional 1 000 vouchers under the Second Phase of the Pilot Scheme in 2018-19, bringing the total to 6 000, to support ageing in place for elderly persons with moderate or severe impairment.

Enhancing Dementia Care

12. The SWD will organise territory-wide public education activities to enhance public understanding of dementia. In addition, the Government will implement a series of new initiatives to strengthen the care and support for dementia at the community level, which include –

(a) regularising the Dementia Community Support Scheme and expanding it to all 41 district elderly community centres in the territory so that cross-sectoral and multi-disciplinary support services can be provided for elderly persons with mild or moderate dementia and their carers at the community level through a medical-social collaboration model;

(b) increasing the number of social workers in neighbourhood elderly centres in the territory, with a view to facilitating early detection of elderly persons suspected of suffering from dementia and enhancing public education on dementia as well as the support services for demented elderly persons living in the community and their carers;

(c) allocating more resources to all day care centres/units for the elderly (DEs/DCUs) and home care services teams in the territory to increase manpower for the provision of enhanced care for demented elderly persons; and

(d) allocating more resources to service units providing community
support and care services for the elderly to enhance staff training on dementia.

Supporting Carers

13. Carers play an important role in elderly care. To ensure that needy carers will receive appropriate support, the Government will allocate additional resources to all subvented elderly centres and home care services teams in the territory to enhance outreaching services for supporting carers living in the community and looking after frail elderly persons, including disabled or old-aged carers.

Planning to Reinstate the Population-based Planning Ratios for Elderly Services in the HKPSG

14. The ESPP has recommended reinstating the population-based planning ratios for elderly services in the HKPSG. The LWB and the SWD will discuss with the Development Bureau and the Planning Department to consider how to implement the recommendation.

Promoting Gerontechnology

15. Gerontechnology is a combination of elderly services and innovative technology. It can help improve the lives of elderly persons. It can also reduce the burden and stress of carers and care staff. Gerontechnology is one of the important strategies for addressing the ageing society. The Government will earmark $1 billion for setting up a fund to subsidise elderly service units to try and procure technology products. The Government will formulate the operational details of the new fund. The preliminary idea is to enable various elderly service units (including RCHEs, DEs, elderly centres and home care services teams) to procure technology products that are available for sale in the market and included in the recognised procurement list of the fund. The fund will also subsidise service units to implement pilot schemes, in collaboration with other organisations, to try new applied technologies and carry out outcome evaluations, with a view to facilitating continued use by the industry in future. On the other hand, the Government will commission the HKCSS to promote the use of technology among welfare organisations and carers. The two initiatives above will also cover rehabilitation service units.

Improving the Salaries of Front-line Care Staff

16. The ESPP has suggested that manpower planning for elderly services should be enhanced, including that improvements in the
employment conditions and working environment of care staff should be explored. With reference to this recommendation of the ESPP, the SWD will provide additional resources for subsidised elderly service units to increase the salaries of personal care workers and home helpers (i.e. the salaries of personal care workers and home helpers will be increased by two pay points in the current calculation of the subsidy for salaries), thereby enabling these service units to recruit and retain staff more effectively. This initiative will also cover similar posts in service units of subsidised rehabilitation services as well as family and child welfare services.

**Allowing Subsidised Service Units Greater Flexibility in the Importation of Care Workers**

17. The ageing society will significantly increase the demand for care workers in residential care homes and services for supporting ageing in place. The ESPP has therefore recommended providing more flexibility in the importation of care workers as an interim measure to increase the overall manpower supply. To this end, the Government will consider the possibility of allowing subsidised units of elderly and rehabilitation services greater flexibility in the importation of care workers under the Supplementary Labour Scheme.

**Monitoring and Quality of RCHEs and RCHDs**

18. The SWD set up a new Licensing and Regulation Branch on 2 May 2017 to regulate residential care homes or centres licensed or registered by the SWD, including RCHEs and RCHDs. The SWD has been implementing various improvement measures to strengthen the monitoring of residential care homes and enhance their service quality, which include strengthening inspection strategy and inspection back-up; dedicated handling and follow-up of complaints; reviewing the legislation and codes of practice and formulating care-related guidelines; enhancing monitoring and quality/skills of home operators/managers/staff; stepping up law enforcement and increasing transparency, etc.

19. The SWD will implement a series of measures to continuously strengthen the monitoring of RCHEs and RCHDs and enhance their service quality. Measures include:

(a) continuing to review the Residential Care Homes (Elderly Persons) Ordinance, the Residential Care Homes (Persons with Disabilities) Ordinance and related Codes of Practice;

(b) launching a five-year scheme to provide full subsidies for home
managers, health workers and care workers of all RCHEs and RCHDs in the territory to enrol in Qualifications Framework-based training courses;

(c) launching a five-year scheme to provide full subsidies for all private RCHEs to join accreditation schemes;

(d) setting up district-based professional teams comprising social workers, physiotherapists, occupational therapists, etc. under a four-year pilot scheme to provide outreach services for residents in private RCHEs and RCHDs, so as to support their social and rehabilitation needs;

(e) conducting a consultancy study to review the existing licensing and regulatory regimes for RCHEs and RCHDs, including exploring the feasibility of formulating performance indicators for quality assurance; and

(f) providing visiting medical practitioner services for residents of all RCHEs and RCHDs in the territory so as to take proactive measures against seasonal influenza and other episodic illnesses, and improve their general health and reduce their reliance on the public healthcare system.

Support for the Disadvantaged

20. The Government is committed to promoting, protecting and ensuring the full and equal enjoyment of all human rights and fundamental freedoms by all persons with disabilities, and to promoting respect for their inherent dignity. The Government will continue to aim at helping these persons develop their capabilities and building a barrier-free living environment. The Government will provide persons with disabilities with community support, residential care, vocational rehabilitation and employment support service and render support to their families and carers, with a view to enabling persons with disabilities to participate in full and enjoy equal opportunities both in terms of their social life and personal growth.

Formulating a New HKRPP

21. The HKRPP sets out the strategic directions and short, medium and long-term measures to address various service needs of persons with disabilities, which cover areas such as residential and day care, community
support, employment, barrier-free facilities, transport, healthcare, education, sports and arts. The HKRPP was last reviewed and updated in 2007. To keep our rehabilitation services abreast with the times, the Government has asked the Rehabilitation Advisory Committee to commence work in October 2017 to formulate a new HKRPP. The HKRPP covers 10 types of disabilities. In view of the diverse needs of persons with different disabilities, the committee will conduct an extensive public engagement exercise in early 2018 for stakeholders to have systematic and thorough discussion on their rehabilitation service needs at different stages of life as well as other related issues. The committee aims to submit a report on the new HKRPP in 2019.

Improving Rehabilitation Services Continuously

22. Before the completion of the abovementioned report, the Government will continue to improve our rehabilitation services. Efforts include increasing the number of places of pre-school education service, day service and residential service, as well as increasing the number of subsidised places under the Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities. Besides, to enhance care and support for ageing service users, the SWD plans to form district-based speech therapy teams to provide speech therapy services in hostels for moderately mentally handicapped persons, hostels for severely mentally handicapped persons, hostels for severely physically handicapped persons with mental handicap, and care and attention homes for severely disabled persons, so as to assist ageing persons with intellectual disabilities in dealing with swallowing problem; continue to provide additional places under the Extended Care Programme in day activity centres and under the Work Extension Programme in sheltered workshops/integrated vocational rehabilitation services centres; and create health worker posts in supported hostels to enhance the healthcare services provided therein.

23. In parallel, the SWD will continue to strengthen community support for persons with disabilities. The SWD will create new clinical psychologist posts at ICCMWs to step up professional support for ex-mentally ill persons and persons suspected to be with mental health problems through provision of individual or group psychological treatment, as well as to strengthen the handling capabilities of frontline professionals for handling complicated cases in ICCMWs through clinical supervision. The SWD will also increase the professional support of social workers in ICCMW in order to provide counselling and treatment groups and activities etc. for children of ex-mentally ill persons to help them cope with the challenges of growing up. In addition, the Government will provide additional resources to rehabilitation and training centres for visually
impaired persons and multi-service centres for hearing impaired persons to strengthen support to persons with disabilities and their families.

24. The SWD will set up a medical social service unit at the newly commissioned Hong Kong Children’s Hospital. To dovetail with the regularisation of the Pilot Scheme on On-site Pre-school Rehabilitation Services and the HA's new initiatives, the number of medical social workers in the Child Assessment Centres of the Department of Health and the general and psychiatric hospitals of the HA will also be increased to provide more appropriate services for children with special needs, patients and their families.

*Strengthening Support for Persons with Special Needs and Their Families/Carers*

25. The Government has decided to regularise the Pilot Scheme on On-site Pre-school Rehabilitation Services\(^4\) in the 2018/19 academic year, and earmarked an annual recurrent provision of $460 million, doubling the number of service places from around 3,000 to 7,000 within two years. The Government will closely monitor the demand of children with special needs for pre-school rehabilitation services, with a view to achieving the policy objective of “zero-waiting” for pre-school rehabilitation services. In addition, the SWD is working with the Education Bureau to explore ways to enhance the necessary support for children with special needs so that they will be provided with appropriate services after proceeding to primary education.

26. Besides, starting from October 2018, the SWD will regularise another pilot scheme which supports youth with autism having high average intelligence and their carers to enhance the living, social and employable skills of these youths; provide their parents/carers with support services; and render advisory services and professional training to the relevant subvented rehabilitation service units and frontline staff.

27. Some parents are worried about the care for their children with special needs, in particular those with intellectual disabilities, after they themselves have passed away. They always find it difficult to look for relatives or friends who are reliable and capable of managing their wealth for them while the high cost of setting up a private trust is not affordable to most parents. The Government has decided to take the lead in setting up a “special needs trust”, with the Director of Social Welfare as the trustee, to

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\(^4\) Under the Pilot Scheme, on-site pre-school rehabilitation services for children with special needs are provided by multi-disciplinary teams (comprising occupational therapists, physiotherapists, speech therapists, psychologists, social workers and special child care workers).
provide reliable and affordable trust services for managing the asset of deceased parents. Disbursement will be made periodically to the carers of their children, who may be individuals or organisations, in accordance with the parents’ wishes. This is to ensure that their assets are spent on continuing to meet the long-term living needs of their children. The LWB will continue to follow up on the details of setting up the trust with stakeholders.

Promoting Employment of Persons with Disabilities

28. The Government’s policy objective is to provide skill training and support services for persons with disabilities to enable them to find appropriate jobs on the basis of their abilities rather than disabilities and, at the same time, provide assistance for employers and strive to promote an inclusive society.

29. To further encourage employers to hire persons with disabilities and employment difficulties and help the latter adapt to new jobs, the Labour Department will strengthen the Work Orientation and Placement Scheme by extending the work orientation period from two to three months. Under the new initiative, the maximum allowance for an employer who hires a job seeker with disabilities and employment difficulties will be increased by $5,500 to $40,500, and the maximum payment period will also be extended from eight to nine months.

30. In addition, the SWD will extend the job attachment allowance and wage subsidy provided under the On the Job Training Programme for People with Disabilities and the Sunnyway - On the Job Training Programme for Young People with Disabilities to supported employment service. Under the new initiative, the SWD will, from 2018-19 onwards, provide a job attachment allowance of $2,000 per month for trainees using supported employment service for a period of up to three months to encourage their participation in the training. A wage subsidy, subject to a monthly ceiling of $4,000 and a maximum payment period of six months, will also be offered to employers who hire these trainees through job trials, in a bid to encourage them to provide more job vacancies for persons with disabilities. The SWD also plans to strengthen post-placement follow-up service in vocational rehabilitation service units to enhance vocational rehabilitation support for persons with disabilities.

Other New Initiatives for Supporting Persons with Disabilities

31. Currently, non-governmental organisations (NGOs) may apply for various funding to organise arts activities and short-term training courses
for persons with disabilities. However, since these funds are not designated for arts development of persons with disabilities and given the limited amount of funding available, these activities or trainings are usually not sustained after the completion of project or subsidised period. The Government proposes to provide funding to set up a designated fund to foster arts development of persons with disabilities to subsidise arts projects and activities for persons with disabilities.

32. Besides, to support the development and operation of self-help organisations for persons with disabilities or chronic illnesses, the SWD launched the Financial Support Scheme for Self-help Organisations for Persons with Disabilities/Chronic Illnesses in 2001 to provide funding support for these organisations. At present, the total amount of annual funding allocated to the Scheme is about $15 million. The Government plans to increase the funding for the scheme from 2018-19 onwards to provide additional financial support for self-help organisations.

*Extending the Short-term Food Assistance Service Projects*

33. The short-term food assistance service projects have been implemented since 2009, aiming at providing low-income persons who have temporary difficulties in meeting their basic food expenditure with short-term and basic food items for generally not more than eight weeks each time. The funding allocation for the service totals $600 million. The Government will provide an additional funding of $447 million to extend the service for three years until 2021. At the same time, as the poverty alleviation measures introduced by the Government in recent years may overlap with the service projects in terms of objectives and service targets, the Government will conduct a comprehensive review on the positioning of and way forward for the service projects, and carefully consider the views of stakeholders in the process.

*Injecting $400 Million into the PFD*

34. Since the inception of the PFD in 2005, the Government has been promoting cross-sectoral collaboration and providing grants that match donations from business organisations to subsidise welfare projects helping the disadvantaged. To date, a total of $800 million (including the $600 million for the regular portion and the $200 million for the dedicated portion for after-school learning and support programmes) has been injected into the PFD. The PFD has launched 10 rounds of application under the regular portion, approving matching grants of about $413.9 million to implement 886 welfare projects and benefiting more than 1 million disadvantaged persons. The PFD has also launched three rounds of
application under the dedicated portion, approving matching grants of about $123.9 million and benefiting over 80,000 primary and secondary school students. In view of the community’s positive feedback to the PFD projects, the Government will inject $400 million into the PFD in 2018-19, which will be evenly allocated to the regular portion and the dedicated portion to enable the PFD to continue helping more disadvantaged persons, including about 130,000 primary and secondary school students from grassroots families.

**Injecting $300 Million into the CDF**

35. Since its establishment in 2008, a total of $600 million has been injected into the CDF to provide suitable support to underprivileged children to widen their horizons, enhance their exposure, and help them develop a saving habit and plan for the future, with a view to alleviating inter-generational poverty. The CDF has rolled out six batches of NGO-run projects and four batches of school-based projects, benefiting more than 14,000 grassroots children. The Government will inject $300 million into the CDF in 2018-19 to sustain its operation. It is estimated that the injection could benefit about 9,000 new participants.

**Injecting $50 million into the Trust Fund for SARS**

36. The Government set up the Trust Fund for SARS in November 2003 to provide special ex-gratia assistance on compassionate grounds to families of deceased SARS patients and recovered patients (including suspected SARS patients). To date, the Government has injected a total of $250 million into the Trust Fund. In view that some recovered SARS patients are still suffering from dysfunction(s) attributable to SARS and/or SARS-related medical treatment, the Government will inject $50 million into the Trust Fund to sustain its operation and continue supporting these patients and their families.

**Support for Children and Families**

**Preparing for the Establishment of a Commission on Children.**

37. The Government plans to establish a Commission on Children in mid-2018 to amalgamate the efforts made by relevant bureaux/departments and child concern groups, and focus on addressing children’s issues as they grow. To this end, a Preparatory Committee chaired by the Chief Executive was established last month, with the Chief Secretary for Administration being the Vice-chairman. Members include the Policy
Secretaries of relevant bureaux, experts in children affairs, including members of the healthcare, education, social welfare and legal sectors; as well as academics, and representatives of ethnic minorities and parents. The Preparatory Committee held its first meeting in early October, and discussed the roles and functions of the Commission on Children as well as its work priorities as suggested by the stakeholders. The Preparatory Committee will conduct a series of public engagement activities later on the above matters to canvass views from the community extensively including those of children, so as to ensure that the functions and work of the new Commission on Children will have the support of the community.

**Strengthening Care Manpower for Residential Child Care Services**

38. Taking into account the increasingly complex emotional and behavioural problems of children and youth receiving residential care services in recent years, the SWD has provided additional social workers and clinical psychological services since February 2014 to enhance the support by professional staff for residential care services so that the children in care can be provided with relevant services when awaiting referral social workers’ arrangement for long-term clinical psychological service. In 2014-15, the SWD also strengthened the supervisory and paramedical service support under the enhanced LSGSS. To further enhance the care and support for the children receiving residential care services, the SWD will strengthen the care manpower of small group homes, residential CCCs, children’s homes, boys’/girls’ homes and boys'/girls’ hostels.

**Improving the Facilities of Small Group Homes**

39. To address the present-day need for looking after the daily living of children and youth, the SWD has been discussing with the welfare sector how to carry out improvement works for residential care service units. The SWD has since 2017-18 provided additional recurrent funding for the provision of air-conditioning in all subsidised residential child care service units to improve the care and living quality of the service users. To further improve the environment of the residential child care services, the SWD will implement an environment improvement programme for small group homes. As the facilities and physical environments of small group homes are more standardised, it is feasible to make a batch application for funding under the Lotteries Fund for the environment improvement programme, which will be implemented in phases so as not to affect service provision. The physical environments, scales and facilities of other residential care homes for children (including boys’/girls’ homes and boys’/girls’ hostels) vary from one to another, and some of them have applied for or been provided with grants under the Lotteries Fund or other charitable funds for
improvement works. The SWD will continue to discuss and follow up with individual homes on their plans for improvement works so as to provide appropriate assistance.

*Increasing Aided CCC Places*

40. To further enhance day care services, the Government will provide a total of about 300 additional aided long full-day child care places in phases starting from 2018-19 in North District, Kwun Tong, Kwai Tsing and Sha Tin for children aged below three.

*Launching the Pilot Scheme on Relaxing the Household Income Limit of the Fee-waiving Subsidy Scheme under the After School Care Programme for Low-income Families and Increasing Fee-waiving Subsidy Places*

41. NGOs provide supportive after-school care services for children aged 6 to 12 so that children whose parents are unable to care for them during after-school hours due to work, job-search or other reasons can receive proper care. The SWD, through the Fee-waiving Subsidy Scheme for the After School Care Programme, waives or reduces the fee of after-school care services. The Government, through the CCF, rolled out in October this year a three-year Pilot Scheme on Relaxing the Household Income Limit of the Fee-waiving Subsidy Scheme under the After School Care Programme for Low-income Families and Increasing Fee-waiving Subsidy Places. Under the Pilot Scheme, families whose income is higher than 75% but not exceeding 100% of the relevant MMDHI can receive a one-third fee reduction, and the number of full fee-waiving places will be increased by 2,000 in total. The Pilot Scheme is expected to benefit about 3,000 children.

*Enhancing Co-parenting Support for Divorced/Separated Parents and Their Children*

42. The 65 Integrated Family Service Centres (IFSCs) and two Integrated Services Centres (ISCs) operated by the SWD and NGOs across the territory provide a spectrum of preventive, supportive and remedial family services for families in need, including family life and parent-child education, developmental groups and activities, to facilitate parents to co-operate in bringing up their children. The centres also arrange for appropriate services having regard to the needs of divorced parents and those undergoing divorce procedures. The Government will provide additional manpower resources in 2018-19 for the abovementioned IFSCs and ISCs, as well as the 11 Family and Child Protection Services Units to enhance the co-parenting support for divorced/separated parents and their
children, including organising different types of groups and activities and providing counselling and support services on parenting.

**Review of the LSGSS**

43. The LSGSS was introduced in January 2001 to give greater flexibility for NGOs to deploy resources for meeting service needs in a more timely and effective manner. The Review Report on the LSGSS published in 2008 confirmed that the LSGSS was worth retaining and made 36 recommendations to enhance the system. The Government has implemented all the recommendations. The SWD has agreed with the welfare sector to implement the LSGSS Best Practice Manual for NGOs on 1 July 2014 to formulate a common framework for the welfare sector, so as to enhance the management of issues related to Lump Sum Grant (LSG) and encourage NGOs to enhance transparency and release information to stakeholders.

44. Since the implementation of the LSGSS, the Government from time to time introduces enhancement measures, including the provision of additional one-off resources of over $4 billion to NGOs receiving LSG. Furthermore, the Government has also provided NGOs with additional recurrent funding, including $200 million in 2008-09 for enhancing the administrative capacity of NGOs and $470 million in 2014-15 for further enhancing the LSGSS.

45. It has been almost nine years since the comprehensive review of the LSGSS in 2008. There are views in the community that the LSGSS is in need of another review. The Government agrees that the system, which has been in operation for nearly 17 years, should keep pace with the times. In fact, the Chief Executive has indicated in her Election Manifesto that the Government will discuss with the welfare sector how to optimise the LSGSS in the following ways:

(a) capitalising on the flexibility of the LSG to enable organisations to provide services relating to the Funding and Service Agreement;

(b) reviewing manpower deployment for services and adjusting subvention according to the need for services; and

(c) setting “core positions” for individual services and allocating resources to pay staff at levels higher than the mid-point of the relevant salary scales to allow organisations to maintain a stable and high-quality professional workforce.
46. In this connection, the SWD has started discussion with the sector.

Premises Planning

47. In view of the acute demand for welfare services and scarce land resources, the LWB will explore with the Development Bureau how to encourage private developers to provide in their development projects various welfare facilities, including day CCCs, residential CCCs, DEs and RCHEs. The LWB and the SWD will, having regard to the recommendations of the ESPP, and the findings of the Consultancy Study on the Long-term Development of Child Care Services being conducted, to collate the demand and supply information concerning elderly and child care services to facilitate the planning work. Besides, the SWD will explore the feasibility of purchasing premises for the operation and provision of elderly and rehabilitation services to address the shortage of premises.

Community Development

48. The CIIF invites three batches of applications every two years, and the lower limit of grant for each project is $20,000. To enable more organisations, in particular the smaller ones, to have the capacity to apply for funding, the CIIF, on the principle of not compromising the vetting of applications and monitoring of project progress, will streamline the application and reporting forms, and at the same time provide more support for smaller organisations in terms of finance and identification of collaboration partners. The Government anticipates that the streamlined application and project management procedures will not only facilitate smaller organisations to apply for funding, but will also enable the CIIF to better leverage on the existing networks to bring about synergetic effects and to yield more innovative social capital models.

On-going Initiatives

Care for the Elderly

Strengthening Skills of Foreign Domestic Helpers (FDHs) in Elderly Care

49. FDHs currently play the role of key carers of elderly persons in many families. The Government is planning to apply for funding from the Lotteries Fund to implement an 18-month Pilot Scheme on Training for
Foreign Domestic Helpers on Elderly Care in the first or second quarter of 2018. The Pilot Scheme aims at strengthening the skills of FDHs in taking care of elderly persons, so as to support elderly persons in adopting healthy lifestyles and enhance their quality of life in the community.

**Implementing the Improvement Programme of Elderly Centres (IPEC)**

50. The Government will continue to implement the IPEC to enhance the physical setting and facilities of 237 elderly centres. As at August 2017, the Lotteries Fund Advisory Committee had endorsed 200 applications. Relevant works have commenced in succession and 125 elderly centres have completed renovation works and re-opened for service with a new look.

**Increasing Residential Care Places and Day Care Places for the Elderly**

51. The Government will continue to increase service places for the elderly under a multi-pronged approach. The SWD is planning to implement 27 development projects for providing new contract RCHEs and DEs/DCUs. It is estimated that about 2,420 residential care places (including subsidised and non-subsidised places) and about 880 day care places for the elderly will be progressively provided starting from 2017-18. Among these new development projects and taking account of existing service units to be expanded, five new contract RCHEs/contract RCHEs with DCUs as well as three new or expanded DEs will commence service between 2017-18 and 2018-19, providing a total of 516 residential care places and 163 day care places for the elderly.

**Implementing the Pilot Scheme on Residential Care Service Voucher for the Elderly**

52. The Government will continue to implement the Pilot Scheme on Residential Care Service Voucher for the Elderly by adopting “money-following-the-user” approach with a view to offering elderly persons in need of residential care service with an additional choice and providing an incentive for RCHEs to improve their services. A total of 3,000 vouchers will be issued by phases under the Pilot Scheme from 2017 to 2019. Among them, 1,000 vouchers are expected to be issued in 2018-19.

**Providing Specialised Residential Care Services for Elderly Persons with Special Needs**

53. To provide better support for elderly persons with special needs,
the Government will implement a pilot scheme under the Lotteries Fund to provide specialised residential care services for elderly persons with special needs at designated RCHEs. The pilot scheme will target at frail elderly persons from ethnic minorities and those with disabilities (e.g. persons with hearing and speech impairment). Participating RCHEs will provide these elderly persons with specialised services, including special diets, sign language interpretation and other support services, to facilitate their living in RCHEs. The Government is formulating the details of the pilot scheme.

**Increasing Higher Quality Subsidised Places under the Enhanced Bought Place Scheme (EBPS)**

54. The SWD is continuing with the conversion of existing EA2 places of the EBPS to about 1 200 EA1 places which are of a higher quality, so as to increase the supply of higher quality subsidised places and improve the overall quality of private RCHEs. The conversion is expected to be completed in 2018-19.

**Implementing the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities**

55. The LWB will continue to implement the popular Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities, with a view to building a caring and inclusive society by encouraging elderly persons and eligible persons with disabilities to participate more in community activities. In the past six months (from February to July 2017), the number of average daily passenger trips made on the Mass Transit Railway, franchised buses, ferries and green minibuses under the Scheme was around 1 189 000, with about 88% (some 1 041 000 trips) made by elderly persons\(^5\) and about 12% (some 148 000 trips) made by eligible persons with disabilities\(^6\). In 2017-18, the estimated reimbursement of revenue forgone to public transport operators by the Government under the Scheme is around $1,200 million. The LWB will conduct a comprehensive review on the Scheme in 2018/19.

**Enhancing the OALA**

56. To strengthen the existing retirement protection system, the Government is progressively implementing the two enhancements to the OALA. The SWD has, since 1 May 2017, relaxed the asset limits of the existing allowance (at $2,565 per person per month). The asset limit for

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\(^5\) Elderly persons refer to those aged 65 or above.

\(^6\) Eligible persons with disabilities are recipients under the CSSA Scheme aged below 65 with 100% disabilities and recipients of Disability Allowance in the same age group.
elderly singletons has been increased from $225,000 to $329,000 and the limit for elderly couples has been increased from $341,000 to $499,000. Separately, it is expected that the Higher OALA will be implemented in mid-2018 to provide a monthly allowance of $3,435 per person per month, which is about one-third higher than the existing rate, for elderly persons with more financial needs (elderly singletons with assets not exceeding $144,000 or elderly couples with assets not more than $218,000). The Higher OALA will take retrospective effect from 1 May 2017.

**Implementing the Guangdong (GD) Scheme and Fujian (FJ) Scheme**

57. The SWD is relaunching a one-off arrangement under the GD Scheme for a one-year period (i.e. from 1 July 2017 to 30 June 2018) to exempt eligible elderly persons already residing in GD from the requirement of having resided in Hong Kong continuously for at least one year immediately before the date of application. Moreover, the SWD expects that the FJ Scheme will be implemented in the second quarter of 2018 at the earliest to provide monthly Old Age Allowance for eligible elderly persons who choose to reside in FJ, and, on a one-off basis for a one-year period, exempt eligible elderly persons already residing in FJ from the requirement of having resided in Hong Kong continuously for at least one year immediately before the date of application.

**Implementing the Opportunities for the Elderly Project and Elder Academy Scheme**

58. Through the Opportunities for the Elderly Project, the Government will continue to encourage elderly persons to actively take part in community affairs and continue contributing to society, and to lead a fruitful elderly life by joining elderly volunteer service as well as activities relating to community education and inter-generational harmony. About 550 projects were approved in 2016-18.

59. Separately, the Government will continue to implement the Elder Academy Scheme to encourage the setting up of elder academies (EAs) in primary schools, secondary schools and tertiary institutions through the collaboration of school sponsoring bodies and organisations providing elderly services, so as to enable elderly persons to pursue life-long learning. Hitherto, about 130 EAs have been set up in primary schools, secondary schools and tertiary institutions. These EAs altogether provide more than 10,000 learning places each year.
Building Age-friendly Communities

60. Having regard to the diverse characteristics and needs of the 18 districts in Hong Kong, the Government encourages each district to implement age-friendly community projects at the district level. Hitherto, a total of nine districts have obtained the World Health Organization’s “age-friendly community” accreditation.

Community Support Services and Schemes for Persons with Disabilities

61. The Government will continue to develop and strengthen community support services (including district support centres for persons with disabilities, home care service for persons with severe disabilities, integrated support service for persons with severe physical disabilities, transitional care and support centre for tetraplegic patients, day and residential respite services, social and recreational centres for the disabled, parents/relatives resource centres and community rehabilitation network), and help persons with disabilities living in the community integrate into society and receive the nursing care services they need through specific funds and funding schemes.

62. In March 2016, the SWD also implemented the two-year Pilot Project on Peer Support Service in Community Psychiatric Service Units under the Lotteries Fund. The Pilot Project aims at training suitable ex-mentally ill persons to serve as peer supporters with a view to speeding up their own recovery, and helping other ex-mentally ill persons in need; providing support for other persons recovering from mental illness by peer supporters; and enhancing public acceptance of ex-mentally ill persons. In the light of the positive outcome of the Pilot Project in various aspects, the Government has earmarked an annual recurrent expenditure of about $8 million from 2017-18 onwards to regularise the peer support service, involving a total of 40 full-time posts.

Support for Women

Enhancing Child Care Services

63. To remove the barriers for women to enter or stay in employment and to further respond to the community demand for child care services, the Government will continue to implement the following measures to enhance child care services –
(a) from 2015-16 onwards, increasing, by phases, the provision of Extended Hours Service by about 5 000 places at aided CCCs and kindergarten-cum-child care centres in districts with high demand. About 1 200 of such places have been provided since September 2015;

(b) inviting those NGOs participating in the Special Scheme on Privately Owned Sites for Welfare Uses to consider setting up CCCs suitably when carrying out expansion, redevelopment or new development on their land. The Government will also explore, on a pilot basis, the feasibility of providing about 100 NGO-operated child care service places for staff members in the proposed Government Complex in Tseung Kwan O;

(c) steering the Consultancy Study on the Long-term Development of Child Care Services being conducted by the Department of Social Work and Social Administration of the University of Hong Kong as commissioned by the SWD. The study will review the existing child care services in Hong Kong, and draw on the experience of other places in providing child care services. It will also conduct in-depth analysis of different aspects of child care services and make recommendations on the long-term development of relevant services. It is expected to be completed in the first quarter of 2018.

Enhancing the Remuneration for Qualified Child Care Staff

64. In view of the implementation of the free quality kindergarten education policy by the Education Bureau in the 2017/18 school year, the Government acknowledges the sector’s concern about the effects on the operation of day/residential child care services and pre-school rehabilitation services, especially the challenge arising from the subsidy to the child care services, remuneration of child care workers and Manning ratio, etc. To relieve the recruitment and brain drain problem of child care services, the Government has since September 2017 provided additional resources for units of day/residential child care services and pre-school rehabilitation services for enhancing the remuneration for qualified child care staff, so as to retain and attract the qualified child care staff.

Facilitating the Development of Women

65. To enable women to fully realise their due status, rights and opportunities in all aspects of life, the Government, in collaboration with
the Women’s Commission (WoC) and the community as a whole, will continue to promote the well-being and interests of women through a three-pronged strategy, namely the provision of an enabling environment, empowerment of women and public education. Gender mainstreaming has been extensively adopted by bureaux and departments since 1 April 2015. The WoC and the LWB have implemented a pilot scheme to encourage NGOs in the welfare sector to refer to the Gender Mainstreaming Checklist adopted by the Government and apply gender mainstreaming when formulating policies and programmes. To further promote the concept of gender mainstreaming and raise the awareness of gender-related issues in the business community, the Government has established a Gender Focal Point network among listed companies at end-2016, following the setting up of such a network among Government bureaux/departments, District Councils and NGOs in the welfare sector.

66. The Government will continue to coordinate the efforts of all parties in promoting women employment. From 2014 to 2017, the WoC adopted “Women’s Employment” as the theme of the Funding Scheme for Women’s Development, inviting women’s groups and NGOs to organise various programmes and activities that could help unleash women’s potential, enhance their employability and/or create an environment that enables women to work.

**Children and Family Services**

**Strengthening Residential Child Care Services**

67. To support and protect those children lacking proper care by their families and young persons with behavioral or emotional problems, the Government is increasing in phases the number of residential child care places. The SWD increased 91 places from 2012-13 to 2016-17 through in-situ expansion, and provided 30 additional places in small group homes as well as five additional places in emergency/short-term care in small group homes in 2017-18. A girls’ home with school for social development on site newly built by the Education Bureau and the SWD also came into operation in the 2017/18 school year, providing 84 places in the first phase. Separately, the SWD will provide nine additional places in girls’ homes in 2017-18, and further provide 30 additional places in small group homes in 2018-19.

**Increasing Foster Care Service Places and Promoting Foster Care Service**

68. To further support families in need, the SWD will increase the
level of various foster care allowances and provide 240 additional foster care places (including 60 foster care (emergency) places) in phases. The total number of foster care places will be increased from 1 070 at present to 1 310, of which the number of foster care (emergency) places will be increased from 95 at present to 155. The SWD will provide 60 additional foster care places, including 20 foster care (emergency) places, in 2017-18 as the first phase. The SWD will also make continuous efforts to promote the service and recruit more foster parents to offer appropriate care in home settings for children who cannot be taken care of by their families temporarily.

Implementing the Pilot Project on Children Contact Service

69. With funding of $7.58 million from the Lotteries Fund, the SWD launched the two-year Pilot Project on Children Contact Service through an NGO in September 2016 to facilitate the arrangement of child contact with separated/divorced parents and to strengthen support for separated/divorced families, so that children need not be torn between divorced parents. The SWD will conduct evaluation on its effectiveness so as to explore the direction for future service development.

Combating Domestic Violence

70. The Government does not tolerate domestic violence and has been dealing with the problem through a three-pronged strategy, viz. preventing domestic violence, supporting victims of domestic violence and providing specialised services and crisis intervention. The Government will continue to allocate resources in enhancing specialised and support services, including providing various support services for victims of domestic violence as appropriate as well as providing counselling and psycho-educational services for batterers to change their abusive attitude and behaviour.

Social Welfare Planning

Implementing the Special Scheme on Privately Owned Sites for Welfare Uses

71. The LWB and the SWD are actively following up on some 60 projects under the Special Scheme on Privately Owned Sites for Welfare Uses to encourage and subsidise NGOs to make better use of their sites through expansion, redevelopment or new development to provide or increase the provision of those welfare facilities considered by the
Government as being in acute demand, in particular elderly, rehabilitation and child care facilities as well as other developments relating to these facilities. Based on the rough estimation of the applicant NGOs, if all the projects can be implemented smoothly, a range of welfare facilities will be provided, including about 9000 additional elderly service places and about 8000 additional rehabilitation service places. As at end-September 2017, one project had commenced service, providing 100 additional rehabilitation service places; and five other projects would be completed by 2018-19, providing about 260 additional elderly service places and about 920 additional rehabilitation service places. Separately, the Lotteries Fund has provided funding support for nine other projects to proceed with technical feasibility studies. One of the technical feasibility studies has been completed and the Lotteries Fund has provided funding support to meet the cost of consultancy services for the project. The SWD will continue to support technical feasibility studies in respect of other more mature projects in 2017-18 and 2018-19. Based on a welfare service-oriented approach and the principle of enhancing people’s livelihood, we will flexibly process development proposals on optimising land use received from social welfare organisations, taking into account the preference of individual organisations.

Implementing the Navigation Scheme for Young Persons in Care Services

72. To encourage young persons to join the elderly long-term care sector, the Government launched a “first-hire-then-train” pilot project in 2013 with an allocation under the Lotteries Fund. Young persons were recruited to provide care services in RCHEs. Apart from receiving on-the-job training, these young employees were provided with subsidies from the Government to pursue a two-year part-time diploma course in community healthcare. Having regard to the response to the pilot project, the Government rolled out the Navigation Scheme for Young Persons in Care Services in July 2015, providing a total of 1 000 training places in several years starting from 2015-16 to encourage young persons to join the elderly and rehabilitation care services. The five non-governmental operating agencies selected by the SWD started recruitment of trainees in July 2015 and April 2016. As at September 2017, there were 626 trainees in the Scheme.

Conclusion

73. The Government attaches great importance to social welfare services and has been investing substantial resources in this area. Recurrent expenditure on social welfare in the financial year of 2017-18 is
estimated to be $73.3 billion, accounting for 19.8% of the recurrent expenditure of the Government as a whole. The Government will continue to plan for and deliver suitable social welfare services through strengthening collaboration with different sectors of the community.

Labour and Welfare Bureau
October 2017