

**Speaking Notes for the Secretary for Labour and Welfare
at the Special Meeting of the Finance Committee
on 12 April 2019**

Welfare and Women

Chairman and Honourable Members,

In 2019-20, government recurrent spending on social welfare and women's interests is estimated to be \$84.3 billion, accounting for 19.1% of the total recurrent government expenditure of the year, second only to education. Compared with the revised estimate for 2018-19 of \$80.1 billion, there is an increase of \$4.2 billion (5.2%). This reflects the Government's commitment to supporting the disadvantaged. The Government will continue to provide and enhance our support to the disadvantaged, including the elderly, children, persons with disabilities, low-income families and those in need. Now, let me highlight how the Labour and Welfare Bureau (LWB) will make use of these resources.

Elderly Care

2. The recurrent government expenditure on elderly services in 2019-20 is estimated to reach about \$10.6 billion, representing an increase of about 23% over the revised estimate in 2018-19. In the next two years, the Government expects to provide more than 500 additional residential care places and 300 subsidised day care places for the elderly through setting up new contract residential care homes for the elderly (RCHEs) and day care centres/units for the elderly. The Government has also allocated additional resources to implement various initiatives on enhancing elderly services put forth in the 2018 Policy Address. These include purchasing an additional 5 000 EA1 places under the Enhanced Bought Place Scheme (EBPS) in the next five years (i.e. purchasing 1 000 additional ones each year); providing an additional 2 000 service quotas under the Enhanced Home and Community Care Services; providing an additional 1 000 vouchers under the Second Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly, bringing the total to 7 000; providing designated residential respite places in private RCHEs participating in EBPS; and setting up day care units for the elderly at qualified private and self-financing RCHEs.

Services for Families and Children

3. The Government will provide an additional funding of about \$210 million from 2019-20 onwards to strengthen child care services, including improving the manning ratio of qualified child care workers in child care centres (CCCs); increasing the level of subsidy for services provided by CCCs; providing additional aided CCC places; enhancing the service quality of the Neighbourhood Support Child Care Project; and re-engineering the existing Mutual Help Child Care Centres.

4. For early identification of, and to provide assistance to pre-school children with welfare needs, the Government has launched a three-year pilot scheme in the 2018/19 school year to provide social work services in phases for about 150 000 pre-school children in over 700 subsidised/aided CCCs, kindergartens and kindergarten-cum-CCCs in Hong Kong. An allocation of about \$989 million from the Lotteries Fund will be provided for implementing the pilot scheme.

5. The Government will set up five co-parenting support centres in Hong Kong from 2019-20. We will also strengthen the manpower of the Social Welfare Department (SWD) to enhance the co-parenting support for separated/divorced parents and their children. The above initiatives will involve an additional recurrent provision of around \$69.5 million.

Enhancing Secondary School Social Work Services

6. To enhance the support to youth in handling matters related to academics, relationships with friends and family as well as better adaptation to growth, and to strengthen the mental well-being and resilience of students and to prevent youth suicides, starting in the academic year of 2019/20, the Government will increase the number of school social workers to two for each of some 460 secondary schools, together with a concomitant increase in supervisory support. The annual recurrent expenditure involved is about \$310 million.

Rehabilitation Services

Enhancing Support for Pre-school Children with Special Needs and their Parents

7. The Government has regularised on-site pre-school rehabilitation services (OPRS) in 2018/19 school year and increased the number of service places from about 3 000 under the Pilot Scheme to about 5 000 at present,

which will be further increased to 7 000 in October 2019. In parallel, the SWD will allocate annual recurrent expenditure of about \$126 million from 2019/20 school year to enhance the professional and support services provided under the OPRS, including strengthening the establishments of speech therapist and social worker of the inter-disciplinary service teams, and setting up mobile training centres.

Enhancing Community Support and Residential Care Services

8. The SWD will allocate annual recurrent expenditure of about \$138 million to gradually set up five additional District Support Centres (DSCs) for Persons with Disabilities and two additional Support Centres for Persons with Autism, and to strengthen the rehabilitation and support services provided by the centres by increasing the manpower of social workers and therapists.

9. Besides, the SWD will allocate annual recurrent expenditure of about \$138 million to increase 835 rehabilitation service places and purchase 300 places from private residential care homes for persons with disabilities.

10. To enable carers to continue to take care of ageing persons with disabilities at home under the assistance of professionals, the SWD will allocate annual recurrent expenditure of about \$25.5 million to enhance speech therapy services to ageing service users and persons with severe disabilities through DSCs, Home Care Service for Persons with Severe Disabilities and Integrated Support Service for Persons with Severe Physical Disabilities, and extend speech therapy services for ageing service users living in Care and Attention Homes for the Aged Blind, Long Stay Care Homes and Supported Hostels, so as to assist them in dealing with speech and swallowing problems.

Community Mental Health Services

11. The SWD will allocate annual recurrent expenditure of about \$56 million to increase the manpower of professional and support in all Integrated Community Centres for Mental Wellness (ICCMWs), so as to expand the target groups of ICCMWs from ex-mentally ill persons and persons with suspected mental health problems aged 15 or above, etc. to secondary school students with mental health needs.

Social Security and One-off Relief Measures

12. On social security, the Government will continue to provide

financial assistance to persons in need through the Comprehensive Social Security Assistance (CSSA) Scheme and the Social Security Allowance Scheme. In 2019-20, the estimated total recurrent expenditure of these two Schemes is about \$54 billion, registering a significant increase of 46% as compared with \$37 billion five years ago (i.e. 2014-15). The amount also represents 12% of the recurrent government expenditure in 2019-20.

13. Of note, the Higher Old Age Living Allowance (OALA), which has been implemented for less than a year since June 2018, has already become the social security programme with the highest number of elderly recipients aged 65 or above. At present, about 480 000 elderly persons are receiving the higher allowance of \$3,585 per month. Together with about 60 000 recipients of Normal OALA (currently at \$2,675 per month), the OALA is covering some 540 000 elderly persons aged 65 or above.

14. As for other enhancements to the social security system, in order to further facilitate elderly persons who choose to retire in Guangdong or Fujian, the Government will extend the OALA to these two provinces by early 2020 at the earliest, so as to provide the monthly allowance for eligible elderly persons.

15. Besides, the Financial Secretary has proposed in the 2019-20 Budget to provide an extra allowance to social security recipients equal to one month of payment, which will involve an additional expenditure of about \$3.8 billion and is expected to benefit about 1.32 million persons. The Government will also make similar arrangements for recipients of the Working Family Allowance (WFA) and the Work Incentive Transport Subsidy (WITS). It is expected that some 50 000 WFA households and 30 000 WITS recipients will benefit from this initiative, involving an additional expenditure of about \$150 million. It is also proposed in the Budget that a one-off grant of \$2,500 should be provided for each student in need (including those who are receiving CSSA). It is estimated that about 67 000 children under the CSSA Scheme will benefit from this initiative, involving an estimated expenditure of about \$170 million.

Welfare Facilities

Purchase of Premises for Provision of Welfare Facilities

16. With a view to meeting the demand for the much-needed welfare services and solving the problem of shortage in premises, as announced in the 2019-20 Budget, \$20 billion will be allocated to implement an initiative for

the Government to purchase suitable premises from the market for the provision of accommodation in operating welfare facilities. This initiative involves more than 130 welfare facilities, scattering around 18 districts, which are to be planned for purchase in three years. The Government will continue to adopt a multi-pronged approach in identifying suitable sites or premises for the provision of welfare facilities for meeting the needs of the community. We would brief the Panel on Welfare Services later on the initiative and seek its views before submitting the funding proposal to the Finance Committee.

Women's Development

17. In 2019-20, the Government has earmarked around \$36.7 million to promote women's interests and support the work of Women's Commission (WoC). These include the provision for assisting WoC in implementing the "Capacity Building Mileage Programme", and implementing the "Funding Scheme for Women's Development" under which 18 District Councils and women's groups may implement programmes that are conducive to women's development.

18. Chairman, this concludes my opening remarks. Members are welcome to raise questions.

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