

# Poverty Alleviation, Elderly Care and Support for the Disadvantaged

- In 2013, launched the Old Age Living Allowance (OALA) (currently at \$2,565 per month). As at end-April 2017, there were about 450 000 recipients, accounting for about 40% of the elderly population.
- In 2016, launched the Low-income Working Family Allowance Scheme to support low-income working families that are not receiving assistance under the Comprehensive Social Security Assistance (CSSA) Scheme to encourage self-reliance.
- In 2012, reinstated the Commission on Poverty. In 2013, announced the first official poverty line.
- Poverty alleviation work continues to be effective. In 2015, the poor population was 970 000, staying below one million for the third consecutive year. The poverty rate of working households is at the lowest level since 2009 when data were first available.
- Starting from March 2015, the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities was extended to Green Minibuses by phases.
- Recurrent expenditure on rehabilitation services increased by around 60% from \$4 billion to \$6.5 billion in five years' time.
- In the past five years, 27 new Community Care Fund (CCF) assistance programmes covering areas including medical, education, welfare and home affairs for different target beneficiary groups have been approved. The total commitment has exceeded \$5 billion. As at the end of May 2017, about 1.04 million person-times had benefited under 19 rolled-out programmes. Besides, 11 programmes have been incorporated into the Government's regular assistance programmes.

- There was an increase of over 1 100 residential rehabilitation service places and over 1 000 day care and vocational rehabilitation service places. In addition, 36 planned development projects are expected to provide an addition of over 2 500 residential care places, over 2 000 day care and vocational rehabilitation service places and over 1 600 pre-school rehabilitation service places.
- Since 2013, the maximum level of job attachment allowance for persons with disabilities has increased from \$3,750 to \$6,000 and that of job trial wage subsidy for employers of persons with disabilities has increased from \$18,000 to \$24,000. The maximum level of subsidy to employers of persons with disabilities under the “Work Orientation and Placement Scheme” has increased from \$24,000 to \$35,000.
- In 2014, the maximum level of subsidy for employers to procure a single assistive device for employees with disabilities increased from \$20,000 to \$40,000.
- Since 2015, the Labour Department has enhanced the post-placement follow-up service for job seekers with disabilities by extending the service period from three months to six months.
- In 2016, launched three pilot schemes to facilitate persons with disabilities to take up gainful employment: raising the maximum level of disregarded earnings for recipients with disabilities under the CSSA Scheme from \$2,500 to \$4,000 per month; providing an additional monthly subsidy of \$5,000 for Higher Disability Allowance recipients engaged in paid employment to hire carers; and engaging non-governmental organisation to help job-seekers with disabilities in need of counselling services.
- In 2017, injected an additional funding of \$100 million into the “Enhancing Employment of People with Disabilities through Small Enterprise Project” to create more employment opportunities for persons with disabilities.
- In 2015, launched the Pilot Scheme on On-site Pre-school Rehabilitation Service (the Pilot Scheme) to provide 2 925

service places to children with special needs who are studying in over 480 kindergartens and kindergarten-cum-child care centres. Announced in 2017 that the Pilot Scheme would be regularised to provide 7 000 service places in phases, involving an annual recurrent funding of \$460 million.

- In 2016, increased the training subsidy from \$3,867 per month to \$5,995 per month so that the training sessions for eligible child on the waiting list for special child care centres or residential special child care centres could be increased from four sessions per month to six sessions per month.
- In 2017, earmarked an annual recurrent funding of over \$118 million to provide a non-means-tested training subsidy for children on the relevant waiting list and to waive the service fees of special child care centres.
- Increased the recurrent funding of Integrated Community Centre for Mental Wellness from around \$190 million to over \$300 million in five years' time.
- Increased continuously manpower for subvented Parents / Relatives Resource Centre and service units like Long Stay Care Home to strength support for ex-mentally ill persons.
- In 2016, launched a two-year "Pilot Project on Peer Support Service in Community Psychiatric Service Units" and announced in 2017 that the pilot project will be regularised.
- In 2013, implemented various schemes to support persons with disabilities through the CCF, including the provision of special subsidy to persons with severe physical disabilities for renting respiratory support medical equipment and purchasing medical consumables related to respiratory support medical equipment. Regularised the relevant schemes in 2014.
- In 2016, implemented the "Pilot Scheme on Living Allowance for Low-income Carers of Persons with Disabilities" to provide carers of persons with disabilities in need with a monthly living allowance of \$2,000.
- In 2017, approved the introduction of a pilot scheme to provide a special subsidy for persons with permanent stoma from low-income families to purchase medical consumables.

- In 2017, announced commencing the work of formulating a new Rehabilitation Programme Plan after the Elderly Commission completed the formulation of the Elderly Services Programme Plan by making reference to the relevant experience. Earmarked a total of \$30 billion to strengthen elderly services and rehabilitation services for persons with disabilities, including putting forward initiatives to ensure the quality of residential care services; enhancing support for areas include pre-school training, residential care, day care and vocational rehabilitation services, community support, employment, barrier-free facilities and transport, etc.
- In 2017, approved three pilot medical schemes under the CCF to subsidise eligible patients suffering from rare diseases (such as patients of paroxysmal nocturnal haemoglobinuria) to purchase drugs; subsidise eligible public hospital patients to purchase specified implantable medical devices for interventional procedures; and subsidise eligible low-income women aged 25 or above to receive cervical cancer screening and preventable preventive education.
- Planned to increase a total of more than 480 residential child care places within the current-term Government.
- In 2015, announced an allocation of \$130 million to enhance child care services. Measures include increasing by phases from 2015-16 onwards the provision of Extended Hours Service by about 5 000 places at aided child care centres and kindergarten-cum-child care centres in districts with high demand, about 1 200 of which have been provided by phases since September 2015, as well as providing about 100 additional aided long full-day child care places in 2018-19 for children aged below three.
- In 2013, launched the Special Scheme on Privately Owned Sites for Welfare Uses to encourage non-governmental organisations (NGOs) to make better use of their sites through expansion, redevelopment or new development to provide or increase welfare facilities, in particular to increase elderly and rehabilitation service places. Transferred an additional \$10

billion to the Lotteries Fund in March 2014 to provide sufficient resources for the implementation of the Scheme. If all the projects are implemented smoothly, the expected provision of welfare services includes about 9 000 additional elderly service places and 8 000 additional rehabilitation service places.

- In 2015, injected \$400 million into the Partnership Fund for the Disadvantaged, with \$200 million dedicated to launching more after-school learning and support programmes for primary and secondary school students mainly from grassroots families. About 150 after-school learning and support projects were approved in the first two rounds of application, benefiting over 60 000 primary and secondary school students.
- In 2017-18, injected \$300 million into the Community Investment and Inclusion Fund through the Lotteries Fund to continue to support social capital development projects, and build up mutual help networks in the community through cross-sector collaboration.
- Starting from the 2014/15 school year, implemented the “Chinese Language Curriculum Second Language Learning Framework” in primary and secondary schools with an annual provision of about \$200 million earmarked for schools to step up the support for non-Chinese speaking students’ effective learning of the Chinese language and the creation of an inclusive learning environment in schools.
- As an initiative announced in the 2012-13 and 2013-14 Budgets, introduced a measure to allow post-secondary student loan borrowers to start repaying their student loans one year after completion of studies. The Government has regularised this measure as a standing arrangement since 2014.
- In the 2012/13 academic year, implemented a series of improvement measures, including lowering the interest rate of loans and extending the standard repayment period. For means-tested loans, the interest rate has been lowered from 2.5% to 1% per annum and the standard repayment period has also been extended from five years to 15 years. For non-means-tested loans, the risk-adjusted-factor rate has been

reduced from 1.5% to zero and the standard repayment period has also been extended from ten years to 15 years. At present, the risk-adjusted-factor rate is maintained at zero and the prevailing interest rate for non-means-tested loans is 1.132% per annum.

- Starting from the 2014/15 school year, enhanced the School-based After-school Learning and Support Programmes by increasing the annual provision to about \$240 million. In the 2016/17 school year, about 190 000 students would benefit from the Programmes.
- In the past years, supported students from low-income families through CCF assistance programmes. The total provision of all the programmes is about \$2.4 billion with about 900 000 beneficiaries. The assistance programmes in progress and to be implemented include:
  1. Providing hostel subsidy for needy undergraduate students (2014/15 to 2018/19 academic year): In the 2016/17 academic year, the maximum rate of hostel subsidy for each eligible student is \$8,790 a year. The total provision for the programme is \$194.7 million, benefiting about 6 000 students each year;
  2. Increasing the academic expenses grant under the financial assistance scheme for post-secondary students (2014/15 to 2018/19 academic year): In the 2016/17 academic year, the maximum rate of the enhanced academic expenses grant for each eligible student is \$2,190 a year. The total provision for the programme is \$176.95 million, benefiting over 20 000 students each year;
  3. Providing funding for ordinary schools to arrange special educational needs coordinators (2015/16 to 2017/18 academic year): A total of 124 schools (59 primary schools and 65 secondary schools) participated in the programme, benefiting about 10 220 students in the 2016/17 academic year;
  4. Enhancing the academic expenses grant for students with special educational needs and financial needs pursuing

post-secondary programmes: in the 2016/17 academic year, the maximum rate of the enhanced academic expenses grant for each eligible student is \$8,320 a year. The total provision for the programme is \$12.46 million, benefiting 128 students in the 2015/16 academic year;

5. Providing of a one-off grant for school-related expenses to kindergarten students in the 2016/17 school year: the maximum rate of the one-off grant for each eligible student is \$3,770. The total provision for the programme is \$157.65 million and the number of beneficiaries is about 40 000 students; and
  6. Providing subsidy for persons holding non-local qualifications to conduct qualifications assessment: Needy persons holding non-local qualifications will be subsidised to apply for qualifications assessment for general purpose conducted by the Hong Kong Council for Accreditation of Academic and Vocational Qualifications (as at April 2017, the fee is \$2,545). The three-year programme will be launched in September 2017 with a total funding provision of \$8.67 million. It is expected to benefit around 3 000 persons.
- Assistance programmes incorporated into the Government's regular assistance programmes or completed include:
    7. Providing subsidy to meet lunch expenses at whole-day primary schools for students from low-income families (Incorporated into the Government's regular assistance programme in the 2014/15 school year);
    8. Setting up of School-based Fund (Cross-boundary Learning Activities) (Completed in June 2014);
    9. Enhancing the flat rate grant under the School Textbook Assistance Scheme (Incorporated into the Government's regular assistance programme in the 2014/15 school year);
    10. Enhancing the financial assistance for needy students pursuing programmes below sub-degree level (Incorporated into the Government's regular assistance programme in the 2014/15 school year);

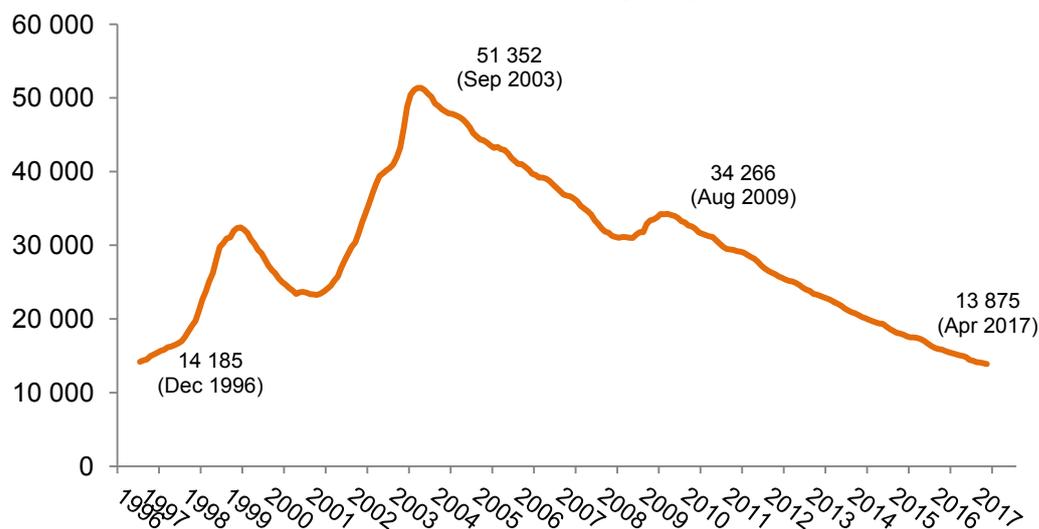
11. Providing extra travel subsidy for needy special school students (Incorporated into the Government's regular assistance programme in the 2015/16 school year);
  12. Implementing the after-school care pilot scheme (Completed in July 2016); and
  13. Providing of a one-off special subsidy for students on full grant under the School Textbook Assistance Scheme before the launch of the Low-income Working Family Allowance (LIFA) Scheme (a one-off programme launched in the 2015/16 school year before the implementation of LIFA).
- Starting from 2015, all bureaux and departments are required to apply gender mainstreaming in formulating major government policies and initiatives to ensure that women and men have equitable access to, and benefit from, society's resources and opportunities. In 2016, launched a pilot scheme to encourage NGOs in the social welfare sector to refer to the gender mainstreaming checklist and apply gender mainstreaming when formulating policies and programmes.
  - In 2016, established a Gender Focal Point network respectively among the social welfare sector and listed companies to further promote the concept of gender mainstreaming and to raise the understanding of gender-related issues among NGOs and private companies, following the setting up of such a network among Government bureaux/departments, and District Councils.
  - Starting from 2015, raised the appointment benchmark of women to Government advisory and statutory bodies from 30% to 35%.
  - In the past five years, increased the Government's recurrent welfare expenditure on elderly services (excluding financial assistance under social security) from around \$5 billion to around \$7.8 billion, representing an increase by over 55%.
  - In the past five years, increased about 2 000 subsidised residential care places for the elderly, about 500 day care places for the elderly and 1 666 home care places. In addition,

planned for the provision of new contract residential care homes and day care centres/units for the elderly under 27 development projects to provide about 2 370 additional residential care places for the elderly (including subsidised and non-subsidised places) and about 880 additional day care places for the elderly.

- In 2013, launched the First Phase of the Pilot Scheme on Community Care Service Voucher for the Elderly, enabling elderly persons to choose community care services that best suit their individual needs under the “money-following-the-user” approach. In 2016, rolled out the Second Phase of the Pilot Scheme and extended it to all 18 districts in the territory, with a total of 3 000 vouchers. Announced in 2017 that an additional 2 000 vouchers would be provided under the Pilot Scheme, making a total of 5 000 vouchers.
- In 2014, launched the Pilot Scheme on Living Allowance for Carers of Elderly Persons from Low Income Families to provide a living allowance for carers from low-income families who take care of their frail elderly members at home. In 2016, rolled out Phase II of the Pilot Scheme. Two phases of the Scheme will benefit a total of 4 000 recipients. The whole Scheme involves a funding of about \$310 million.
- In 2014, launched the Pilot Residential Care Services Scheme in Guangdong to purchase residential care places at two elderly homes located in Guangdong Province and run by Hong Kong NGOs, allowing elderly persons who are waiting for subsidised care-and-attention places to choose to live in the two homes. Announced in 2017 that the Pilot Scheme would be extended for three years.
- In 2017, launched the Pilot Scheme on Residential Care Service Voucher for the Elderly, under the “money-following-the-user” approach, to offer elderly persons in need of residential care service an additional choice and provide an incentive for residential care homes to improve their services. Under the Pilot Scheme, a total of 3 000 vouchers will be issued from 2017 to 2019 in phases.

- The number of CSSA cases continues to decrease during the current-term Government. At end-April 2017, the number dropped back to the level at the end of 2001. The number of unemployment cases under the CSSA Scheme (13 875) has decreased for 92 consecutive months to a 20-year low, with a drop of over 70% from its peak.
- In 2013, implemented the Guangdong Scheme to provide monthly Old Age Allowance (OAA) (currently at \$1,325 per month) for eligible elderly persons who choose to reside in Guangdong Province. As at end-April 2017, there were about 15 000 recipients.
- In 2017, announced once again exempting under the Guangdong Scheme, on a one-off basis for a one-year period, eligible elderly persons from the requirement of having resided in Hong Kong for at least one year immediately before the date of application.
- In 2017, announced the introduction of the Fujian Scheme to provide monthly OAA for eligible elderly persons who choose to reside in Fujian Province.

### Number of CSSA Unemployment Cases



- The number of CSSA unemployment cases as at April 2017 was 13 875, representing a decrease for 92 consecutive months since August 2009 (34 266 cases)
- The caseload dropped by over 70% from its peak of 51 372 cases in September 2003
- Lowest caseload in 20 years (since December 1996 with 14 185 cases)

- In 2017, proposed a host of concrete measures to strengthen various pillars for comprehensive enhancement of the retirement protection system, including:
  1. Enhancing the OALA to strengthen the support of the social security pillar for elderly persons in two respects: adding a higher tier of assistance for elderly persons with more financial needs by providing a higher monthly allowance of \$3,435 per person, which is about one-third higher than the existing rate; and relaxing the asset limits for the existing allowance to benefit more elderly persons with financial needs. It is estimated that around 500 000 elderly persons will benefit from these two measures in the first year of full implementation, and the coverage of OALA will increase from 37% to 47%;
  2. Putting forth a concrete proposal for abolishing progressively the arrangement for “offsetting” severance payment or long service payment with employer’s MPF contributions so as to preserve the accrued benefits of employer’s MPF contributions in the employees’ MPF accounts for retirement, and conducted consultations with major stakeholders;
  3. Exploring the development of eMPF, a centralised electronic platform. The working group under the Financial Services and the Treasury Bureau, members of which include representatives of both the MPF Schemes Authority and the industry, would explore viable solutions with reference to overseas experiences, with a view to devising an electronic MPF management platform which will enhance administrative efficiency and directly benefit scheme members;
  4. To further meet the medical needs of elderly persons and reduce their medical expenses, providing free public healthcare services to OALA recipients of older age and with more financial needs (i.e. elderly persons aged 75 or above and receiving the higher tier of OALA assistance) and benefiting 140 000 elderly persons; and

5. Lowering the eligibility age of the Elderly Health Care Vouchers from 70 to 65. Additional 400 000 elderly persons expected to be benefited in the first year of implementing the enhanced measure.
- Raised the amounts of over ten compensation items under the Employees' Compensation Ordinance, the Pneumoconiosis and Mesothelioma (Compensation) Ordinance and the Occupational Deafness (Compensation) Ordinance thrice in 2012, 2015 and 2017 to afford better statutory protection for tens of thousands of eligible persons.
  - In 2013, enhanced the Work Incentive Transport Subsidy Scheme to enable applicants to choose between individual-based or household-based application. So far, more than 110 000 low-income earners have been granted subsidies.
  - Laid down a general framework for guiding future formulation of our working hours policy on the basis of the recommendations of the Standard Working Hours Committee. This includes adopting a legislative approach to mandate employers to enter into written employment contracts with working hours and overtime (OT) compensation terms for the lower-income grassroots employees, and providing these employees with OT compensation by way of OT pay at a rate no less than the rate of the agreed wages or the equivalent time-off in lieu. This could serve as a useful first step in enhancing the transparency of the working hours terms and putting in place appropriate and fair OT compensation arrangements.
  - Increased the Statutory Minimum Wage rate thrice in 2013, 2015 and 2017.
  - In 2015, implemented the three-day paid statutory paternity leave. Tens of thousands of employees are estimated to have enjoyed this benefit every year.
  - In 2013, 2015 and 2016, established new Working Holiday Scheme (WHS) arrangements with four economies respectively and increased quota of the other existing WHS arrangements. As at today, more than 78 000 Hong Kong

youths participated in the WHS.

- In 2014, injected \$15 billion into the Employees Retraining Board (ERB) to support its services and operation on a long-term basis. In the past five years, ERB provided around 130 000 training places every year.
- In 2017, announced that an additional \$1.5 billion would be injected into the Continuing Education Fund, and measures of enhancing the Fund would also be considered.