Report by the Commission on Poverty (CoP) and its Task Forces

Chief Secretary for Administration and Chairperson of the CoP – Mr Matthew Cheung Kin-chung

Chairperson of:

Community Care Fund Task Force – Dr Law Chi-kwong

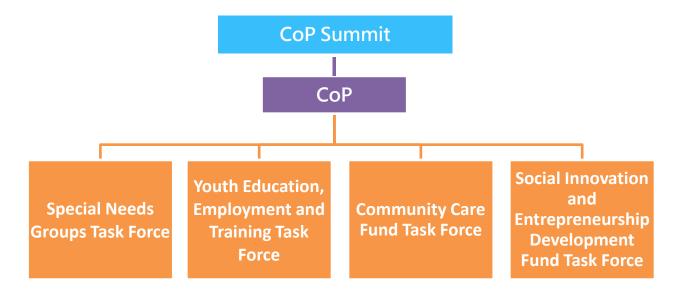
Social Innovation and Entrepreneurship Development Fund Task Force – Prof Stephen Cheung Yan-leung

Special Needs Groups Task Force – Mr Chua Hoi-wai

Youth Education, Employment and Training Task Force – Dr Clement Chen Cheng-jen

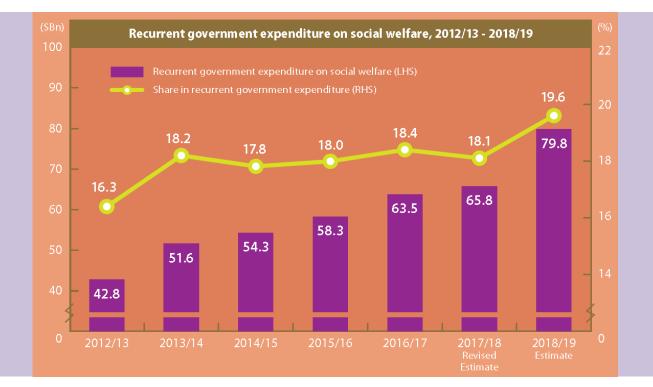
The Government and the CoP have been working closely in formulating and implementing policies on poverty alleviation and support for the disadvantaged

• Through its Task Forces, the CoP has fully deliberated specific issues and has facilitated the implementation of policies and initiatives on poverty alleviation and support for the disadvantaged, benefiting different groups in need



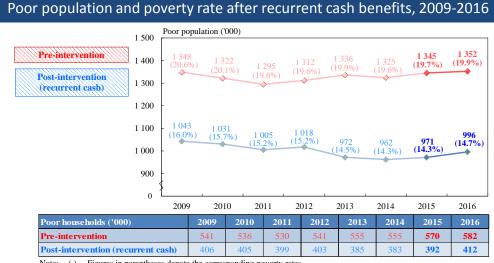
Continuous increase in government resources for poverty alleviation

Recurrent government expenditure on social welfare in 2018/19 is estimated to reach \$79.8
billion, representing a significant increase of 86% over that in 2012/13



Monitoring the poverty situation through the poverty line analysis on an ongoing basis

- Monitored the poverty situation, formulated poverty alleviation policies and reviewed policy effectiveness through the poverty line analysis
- The poverty situation in recent years remained largely stable. The policy interventions of the Government were effective in helping those in need
- The overall poverty figures recorded a slight increase in 2016, mainly due to population ageing and structural changes in demographics



Note: () Figures in parentheses denote the corresponding poverty rates.

Source: General Household Survey, Census and Statistics Department.

<u>2016</u>

- Recurrent cash benefits lifted 360 000 persons out of poverty
- Reduced the poverty rate by 5.2 percentage points

The current-term Government's principles in improving people's livelihood, alleviating poverty and supporting the disadvantaged

• The Chief Executive put forward four principles in her Policy Address:

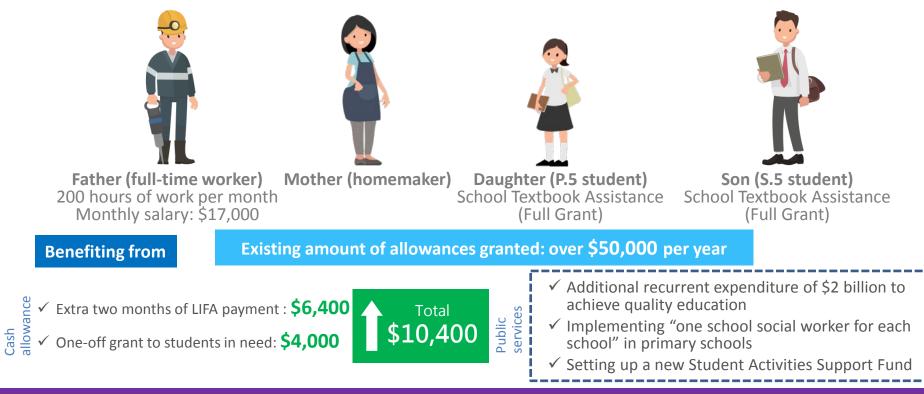


- When formulating its first Policy Address and Budget, the current-term Government adopted an innovative mindset, putting forth various measures to improve people's livelihood and share the fruits of economic development with citizens of different strata and backgrounds
- In the recently announced Estimates for 2018-19, the recurrent expenditures on education, social welfare and health care amount to over \$230 billion, which accounts for close to 60 per cent of the total recurrent expenditure, benefiting various groups in need
- In addition to cash assistances, services dedicated for various groups in need have also been enhanced in a comprehensive manner

The Budget has enhanced support for different families (Example 1)

4-person grassroots family

(with family assets of \$450,000; currently receiving Low-incoming Working Family Allowance (LIFA))



The Budget has enhanced support for different families (Example 2)

Grassroots elderly couple (above 75 years old; with assets of \$200,000; currently receiving Normal Old Age Living Allowance (OALA))

Existing allowance of Normal OALA granted: over \$60,000 per year

Benefiting from

allowance

Cash

Public services

- Eligible to the Higher OALA which will be implemented in this June (in total \$6,970 per month). As the Higher OALA will take retrospective effect from 1 May last year, the elderly couple will be granted \$31,450 in one go
- Extra two months of Higher OALA: \$13,940
- Enhancing community and home care services \$2 transport fare concession scheme
- Community Care Fund (CCF) programmes for the elderly Waiver for standard fees and charges for public healthcare services
- Promoting the application of gerontechnology Enhancing residential care service for the elderly
- A one-off additional \$1,000 worth of elderly health care vouchers





Low-income Working Family Allowance Scheme

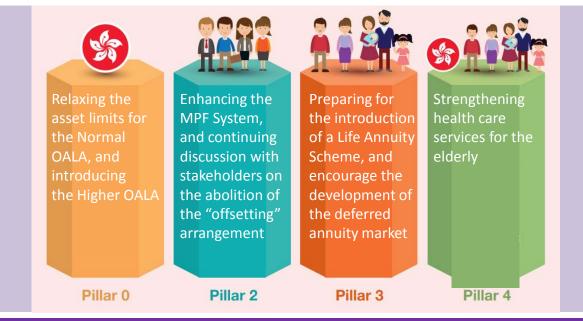
- Monitored the implementation of the LIFA Scheme
- So far, about \$1.23 billion has been approved under the LIFA Scheme, benefiting over 39 000 households with more than 143 000 persons
- Advised on the improvement measures on the LIFA Scheme as stated in the Policy Address; the enhanced LIFA Scheme (to be renamed as the "Working Family Allowance" Scheme) will be implemented on 1 April 2018





Retirement protection

- Continued to monitor the poverty situation of the elderly through the poverty line analysis
- Having regard to the views collected from the public engagement exercise, the Government is enhancing the multi-pillar retirement protection system progressively
- The Government has set aside \$15 billion for the abolition of the Mandatory Provident Fund (MPF) "offsetting" arrangement
- The Hong Kong Mortgage Corporation Limited will launch a Life Annuity Scheme in the middle of this year



Facilitating the integration of ethnic minorities into the community

- ✓ The Chief Secretary for Administration (CS) will set up a steering committee to enhance collaboration within the Government on support for ethnic minorities
- The Government has set aside \$500 million to strengthen support for ethnic minorities
- Continued to monitor the poverty situation of ethnic minorities
- Advised on measures including integration support for ethnic minorities, education, employment, training and support for facilitating the use of public services by ethnic minorities
- Conducted a thematic study to understand the use of public services by ethnic minorities
- Continued to monitor the progress and effectiveness of the implementation of the Chinese Language Curriculum Second Language Learning Framework and Applied Learning Chinese (for non-Chinese speaking students) in primary and secondary schools



Non-Chinese speaking students participating in celebration of the Mid-Autumn Festival at their school

Facilitating the employment of persons with disabilities

- Advised on the Government's measures to assist and facilitate persons with disabilities to apply for government jobs, including the expansion the Internship Scheme for Students with Disabilities
- Supported the initiatives to enhance vocational rehabilitation support for persons with disabilities and strengthen the support for encouraging employers to offer more diverse employment opportunities for them



A student with visual impairment participating in the Internship Scheme for Students with Disabilities, and her mentor



Facilitating the employment of persons with disabilities, providing more employment opportunities for them

Taking care of the needs of children

✓ The Commission on Children, to be chaired by CS, will formulate plans and measures to create an environment that can most optimally cater to the needs of children in light of the various needs of children of different stages of growth and family backgrounds etc.

Children with special educational needs (SEN)

- Advised on the regularisation of the Pilot Scheme on On-site Pre-school Rehabilitation Services
- Followed up on the implementation of a CCF pilot project which provides ordinary schools with funding to engage Special Educational Needs Coordinators
- Explored ways to strengthen the support for non-Chinese speaking students with SEN and their parents

Strengthening child care and after-school care services

- Kept track of the thematic study on the long-term development of child care services
- Supported the provision of additional fee-waiving and feereduction places for after-school care services through the CCF



Regularisng the Pilot Scheme on On-site Preschool Rehabilitation Services



Providing additional fee-waiving and fee-reduction places for after-school care services through the CCF

Promoting youth upward mobility

- ✓ The Government has set aside \$1 billion to support the work of Youth Development Commission to be chaired by CS, with a view to giving young people more room to unleash their potential and more opportunities for upward mobility
- Advised on the priority measures to support quality education put forward by the Chief Executive
- Continued to implement the "Life Buddies" Mentoring Scheme and the "Future Stars" Programme



Supportingpatients with financial needs

- Provided subsidies for eligible patients to purchase ultra-expensive drugs (including those for treating uncommon disorders) through the CCF
- Extended the First Phase Programme of the CCF Medical Assistance Programmes with the drug list updated and the financial assessment criteria relaxed
- ✓ The Government has set aside \$500 for the Hospital Authority's improvement measures for the patient's co-payment mechanism under the CCF's programme



Providing subsidies for eligible patients to purchase ultraexpensive drugs through the CCF

Community Care Fund

- Approved 9 new assistance programmes in the past year, including the Pilot Scheme on Relocation Allowance for Beneficiaries of the "Community Housing Movement"
- Explored the feasibility of the provision of subsidy to needy primary and secondary students for purchasing mobile computer devices to facilitate the practice of e-learning
- Planned to incorporate the Dementia Community Support Scheme into the regular assistance programme after the pilot period

Since the establishment of the CCF in 2011:

- 45 assistance programmes have been approved
- a total commitment of over \$8 billion has been made
- around 1.58 million cases have benefited
- 12 assistance programmes have been incorporated into the Government's regular assistance programmes



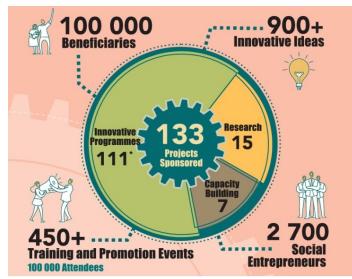
Incorporating the Dementia Community Support Scheme into the regular assistance programme after the pilot period

Social Innovation and Entrepreneurship Development Fund (SIE Fund)

- Since the establishment of the SIE Fund in 2013, it has been facilitating social innovation in three priority areas, namely innovative programmes, capacity building and research, with a view to alleviating and preventing poverty and preventing social exclusion
- Over \$120 million has been allocated for implementing relevant initiatives since its establishment



The Chief Executive officiating at the Announcement Ceremony of Innovative Ventures organised by the SIE Fund on November 2017



The way forward

- Build on past experience and map out the framework and work directions for the next term of the CoP
- Explore and implement more initiatives on poverty alleviation and support for the disadvantaged in collaboration with relevant policy platforms according to the four principles put forward by the Chief Executive, i.e. pro-child, pro-family, pro-work and pro-user
- Promote more cross-sector and cross-profession collaboration to tackle poverty issues
- Enhance the analytical framework of the poverty line, and continue monitoring the poverty situation and the effectiveness of poverty alleviation policies