

Commission on Poverty (CoP)

Draft Work Programme

Purpose

After recapitulating the agreed Terms of Reference (ToR) of the CoP and summarising Members' expectations of the CoP, this paper proposes a work programme for Members' consideration.

ToR

2. Members agreed on the following at its first meeting on 18 February –
 - (a) to study and identify the needs of the poor;
 - (b) to make policy recommendations to prevent and alleviate poverty, and promote self-reliance; and
 - (c) to encourage community engagement; delineate responsibility between the government, social welfare sector and community organisations; foster public-private partnerships and mobilise social capital in alleviating poverty.

In connection with the discussion on the ToR, Members had an initial exchange on the priorities of CoP's work and tasked the Secretariat to consult Members individually with a view to proposing a work programme on the basis of Members' expectations.

Members' Views

Overall views on the status quo

3. Members' expectations of the CoP are, understandably, much affected by their impression of the current level and delivery of services and support for the needy. Overall, most Members found the existing services –
 - (a) broad in terms of coverage of all important groups of needy people;

- (b) extensive in terms of the types of services and support given;
- (c) generally sufficient in the overall level of service and support.

4. In short, though all Members could identify areas for possible improvements, most shared the absence of glaring oversight or omissions. Due to the following developments in Hong Kong, quite a number of Members felt that we could not afford to be complacent –

- (a) Though refinements had been made when needed, the basic architecture of the current system of services and support had been put in place some three decades ago; some aspects of it therefore deserved a fundamental review to ensure that the key tenets remained relevant and efficacious having regard to the intended beneficiaries and purposes.
- (b) As society became more complex, so did the division of labour among different agencies. Evolution of services/support was by necessity incremental and responsive to prevailing needs. Therefore, *prima facie*, with a view to making services/support more user-friendly and forestalling abuse related to regulatory arbitrage, it would be desirable to see if services/support rendered by different Government bureaux, departments and the directly-related agencies could be further rationalized, with their interface clearly and purposefully defined.
- (c) Policies and their implementation had largely been centrally designed. However, urbanization, housing and new town development had gradually given rise to significant demographic differences among districts. These might suggest the need for greater sensitivity to district characteristics and hence the need for differentiation in resources, policies and services delivery.

Priority groups

5. Following on their general observations above, Members elaborated on the needy groups that they felt deserved priority attention. These were consistent with the views expressed at the first meeting, *viz.* the younger generation (comprising pre-school children, students and young people below 25), the unemployed, the working poor and the elderly. For ease of reference, tabulated at Annex are the priority needs of these groups that Members felt the CoP should address. It is pertinent to note that, while acknowledging the possible overlaps among these groups and their multi-dimensional needs (e.g. the low level of income of adults being closely related to the well being of other household members that can comprise both young children and elderly people), Members realized that policy deliberation must be done discretely if only for manageability and to ensure proper targetting. Overlaps, multi-

dimensionality and hence interface between policies should be addressed further when implementation niceties are considered since, after all, the precise permutations of the overlaps and multi-dimensionality are multifarious and their case-specific nature must be given due account.

Things to note in future deliberation

6. Members further realized that being a low-tax and externally-oriented economy, Hong Kong's fiscal fortune was susceptible to fluctuations in the international and domestic markets. Therefore, cost-effective and prudent use of funds must be an important consideration. Some Members translated this guiding consideration into the following practical implications -

- (a) The focus of the CoP's work should not be fund disbursement. Fostering self-reliance, i.e. helping the needy to help themselves must be the key. A few Members specifically related this to assistance for the unemployed and the younger generation from socially and economically challenged backgrounds.
- (b) Any improvements must be bureaucracy-light. Hence, the CoP should refrain some setting up additional implementation agencies. Practical follow up, if necessary, should be conducted through existing agencies. In addition, as far as is possible, the market, volunteerism, community networking and social capital must be nurtured and harnessed. The work of the CoP should not duplicate or undermine the existing machinery including the current extensive advisory bodies/committees.
- (c) Future enhancement of services and support, if needed, should, as far as possible, be targeted and specific, in terms of district, categories of eligible persons and forms of services/support. This would help forestall abuse, wastage and implementation distortion.

Proposed Work Programme

7. Against the above considerations, most Members saw the need for both short and long-term programmes. They also indicated the importance of a focused approach since dissipation of attention and efforts across more than a few initiatives would detract from the CoP's capacity to deliver. In particular, paragraphs 3, 4 and 6(b) would suggest that the Commission should focus on key areas where multi-disciplinary/cross-sector cooperation is called for in order to enhance policy integration.

8. Based on views gauged from Members, the following work programme is proposed for Members' consideration –

Proposed short-term work programme

- (a) Deepening district-based approach: following district visits, to further encourage the setting up of district networks to address issues related to the characteristics of the districts; and to receive reports from, and render support to, such district networks. However, given the consideration at paragraph 6(b) above, whether and how to set up district networks should be a conscious and purposeful decision to forestall unnecessary proliferation and diffusion of energy and resources. Members are also invited to note, in this connection, CoP Paper 9/2005.
- (b) Encouraging community engagement: to catalyze social networking of various kinds by building on the existing mechanisms/support, e.g. mutual support between education institutions, private sector and NGO collaboration, neighbourhood care and support networks as well as various forms of mentoring and voluntary work. In the course of discussion with Members, the Secretariat was advised of encouraging developments in this regard and would duly inform Members and arrange for appropriate publicity of such initiatives in order to help energize community awareness and readiness to care for the less unfortunate. The more on-the-ground promotion or encouragement work can be left to individual implementation agencies/mechanisms.
- (c) Enhancing policy integration: within the existing policy and overall implementation framework of the current services and support programmes, to work on a few selected groups/areas which deserve priority attention. Based on the discussion at the first CoP meeting and views of Members, it is proposed that for the next six to nine months, the focus should be on developing recommendations –
 - (i) to reduce the risk of future poverty for the younger generation (please see CoP Paper 12/2005 for details); and
 - (ii) in respect of the unemployed able-bodied adults, to enhance training opportunities and strengthen employment assistance to help those who have ability to work to be meaningfully and gainfully engaged.

The following widely shared sentiments among Members explain the selection of item (ii) and how the CoP may take forward work in this area –

- without addressing the problem of adult unemployment, the sustainability of attempts to reduce the risk of future poverty of the younger generation is doubtful;
- we need to forestall those who are unemployed from becoming unemployable due to protracted inactivity or lack of meaningful engagement;
- the training provided and the employment assistance should be conducive to raising the beneficiaries' self-concept;
- this may be an area where tripartite partnership among the Government, the private sector and the NGOs may bear fruit;
- progress in this initiative would be a strong testimony to the viability of promoting the long term self-reliance of those who may be in unfortunate predicament currently. This can in turn help promote and secure the achievement of item (c) of the CoP's TOR (re. paragraph 2(c) above); and
- progress in this initiative would also help pave the way for the long term work programme proposed in paragraph 8(e) below to which a lot of Members attach importance.

Proposed long-term work programme

- (d) To examine the delivery of various services and support to see if greater streamlining, rationalization and efficiency is possible, without detracting from their intended objectives and eligibility criteria. And in this connection, Members may wish to note that some Members have mooted the idea of the sharing of data by *only* those bureaux and departments directly charged with providing various social services and support (viz. education, welfare, housing, medical and health) or, going even further if circumstances are ripe, the possibility of central processing of applications.
- (e) Guided by paragraphs 4 – 6 above, and in particular, paragraphs 4(a), 4(b), 6(a) and 6(c) , to work with the relevant advisory committees or the relevant bureaux to review the architecture of the key services/support programmes to see if any aspects would require modification and modernization. Members may wish to note in this connection that quite a number of Members have mentioned the desirability of reviewing the administration of the Comprehensive Social Security Assistance scheme in promoting the self-reliance of the able-bodied.

Other comments to note

9. Related to paragraphs 4(b) and 6(b) above, Members may wish to note that, when sharing their expectations of the CoP, some Members have also cautioned against making the CoP a permanent set-up. While short-term deliverables should be desirable and feasible, they are wary that the CoP would become another layer of implementation bureaucracy. Nor should the CoP become, in their view, an agenda generation machinery ignoring the change management implications for, and capacity of, the implementation agencies. For long-term work of a complex nature which requires protracted observation and continuous refinements (such as those proposed in the long-term work programme above), these Members favour the CoP setting directions and parameters for follow up by the relevant advisory bodies. As a corollary, they are of the view that the CoP should be ad hoc and time-limited. There are nonetheless also a few Members who hold a different view. While conscious of the potential pitfalls of a permanent set-up, these Members also see benefits for the CoP to become a permanent and over-arching review and monitoring body. They thus prefer to keep an open mind and revisit the issue in the light of how CoP's work evolves.

Advice sought

10. Members are invited to –
- (a) note the views collected from Members individually in paragraphs 4 – 6, Annex A and paragraph 9; and
 - (b) comment on the short- and long-term work programme proposed in paragraphs 7 - 8 above.

Commission Secretariat
April 2005

CoP Work Programme
Priority Groups – Members’ Concern

Children and youth

- Members generally share the importance for early attention and focused measures to cater for the needs of children and youth of different age groups. Members recognize that provision of education and development opportunities to those from disadvantaged families and background is key to efforts in reducing the risks of intergenerational poverty. Members agree the Commission should consider if there is room for improving the services and care to children and youth, in particular the disadvantaged and their families, in consultation with relevant fora and drawing reference to relevant overseas experience.
- Members consider that there is a need to target resources at those most in need among the different age groups, though there may not be a need to define the needs based solely on income.
- Members share the importance of the successful implementation of the new initiatives in the 2005 Policy Address in relation to reducing intergenerational poverty, including the pilot Head Start Programme and the School-based After-school Learning and Support Programme. Members however recognize that it takes time to develop appropriate policy tools targeting at youth, and more so to observe the impact of the policy measures. In this regard, some Members suggest it is useful to explore the feasibility for conducting longitudinal studies on child development in Hong Kong in the longer term.
- Members consider enhancing community engagement programmes to help children and youth in need of assistance (e.g. mentorship, tutorial, after-school care programmes, scholarships etc.) a priority.

The unemployed

- It is recognized that unemployment is a key factor of poverty with serious economic, social and emotional impacts. Being meaningfully engaged in gainful employment is key to promoting self-reliance for those who can work. Members consider the Commission should look into ways which may further enhance training opportunities, strengthen employment assistance and reach out to those most in need of assistance –

- Unemployed youth: Members consider that education/training and employment services assisting youth should be seamless and effective in assisting them in entering the job market. Integrated assistance of social work/training/employment to non-engaged youth is particularly important. The Commission would review various training and employment assistance to youth, bearing in mind district-specific needs.
- Middle-aged unemployed: The Government should continue to promote employment through promotion of economic growth. Employment assistance catering for district-specific needs should be strengthened. Some members suggest that the Commission should review the economic policies of the Administration and consider ways to promote labour-intensive industries/ low-skill jobs for the low-income group (tourism, urban renewal, recycling etc.) while recognizing the need to avoid market distortion.
- Able-bodied CSSA recipients: Members consider there is a need to consider the “pull” and “push” factors in welfare-to-work initiatives. Some Members suggest there is a need to review the provision of unemployment relief instead of placing the unemployed on CSSA. While there is no evidence to support growing dependence on welfare by able-bodied recipients or any widespread abuse, there is a need to ensure the CSSA Scheme is helping those genuinely in need and sustainable financially in the long-run.

Working poor

- It is recognized that low-income earners, who are often referred to as the ‘working poor’ may be the most disadvantaged and demoralized groups in our society. Despite putting in long-hours of hard work, they only receive meagre income which may be lower than CSSA level. Members consider there is a need to consider how to assist the working poor, including those qualified for CSSA but not receiving CSSA (e.g. no knowledge, stigma, value of self reliance etc.); and those not eligible for receiving CSSA (with income just above CSSA requirement or unable to meet other eligibility criteria), but need care and assistance.
- Members in general consider that better employment opportunities and wages are key to assist the group. While it is recognized that minimum wage/maximum working hours may narrow the differential between the CSSA level and the wage level, Members recognize that views are very divided on the subject and feel that the Commission should keep in view the detailed discussion to the Labour Advisory Board.
- Members consider that it is important to ensure that this group can access to financial and other public assistance provided by different agencies and won’t be denied of vital social services due to lack of means. Some Members

- consider it worthwhile to review the different benchmarks used by bureaux/departments in granting financial assistance and subsidies (e.g. Rent Assistance Scheme, medical fee waiver, travel subsidy, textbook assistance).
- Members generally share that living expenses such as transport costs for commuters living in remote areas or private housing rental are of particular concern to the working poor, though Members recognize difficulties in devising assistance schemes which can target the group effectively, are financially sustainable and supported by the community.
 - In the long run, some Members suggest it is worthwhile to look into the so-called ‘Many Helping Hands’ approach in assisting the poor. Under the approach, income support scheme of CSSA should be repositioned as a residual program supplementing the efforts/non-cash benefits of other policy areas of employment, education, health and housing in meeting the needs of the poor, while not affecting the commitment of the Administration in providing basic safety net. It is also worthwhile to look into possible systems which may enhance the transparency and administrative effectiveness in granting assistance, e.g. enhance sharing of essential data to facilitate more targeted delivery of assistance, or a central agency in vetting eligibility criteria for seeking financial assistance.

Elderly poor

- Members consider it worthwhile to look into how the financial, health and social needs of the elderly poor are being catered for, in particular those not on CSSA (either by will or unable to meet eligibility criteria).
- It is important to understand the actual situation of some elderly poor qualified for CSSA but not receiving CSSA and the reasons behind before considering how best to provide for financial assistance to them (e.g. whether the level of the Old Age Allowance (OAA) should be raised; whether a higher means-tested level should be devised to cater for the group of elderly who may be unwilling to apply for CSSA; or ways to assist the elderly poor qualified for CSSA to apply for assistance instead of raising the OAA level).
- Members consider it is worthwhile to look into the interface of services provided to elderly (e.g. application procedures for medical fee waiver for non-CSSA recipients at public hospitals/clinics, and if medical social workers can guide elderly to other welfare and community services). Members note the Housing Authority’s recent relaxation of the asset limits for elderly applicants for public rental housing is a right step forward in catering for the particular needs of the elderly poor.
- In the long run, Members consider it crucial to study the sustainability of the

Three Pillars of Retirement Protection in Hong Kong, and where appropriate consider ways to strengthen the three pillars in order to prevent our present working population from living in poverty when they grow old.

Other disadvantaged groups

- To adopt a pragmatic approach, Members express that the groups which require priority attention of the Commission are children and youth, the unemployed, the working poor, and the elderly poor. However, Members agree that the Commission should also keep in view the needs of other disadvantaged groups in its work, including people with disabilities, single parent families; new immigrants, ethnic minorities and women.
- In addition, while it is recognized that the present level of CSSA Scheme is more or less adequate to cover the basic day-to-day needs of the recipients, Members agreed that the welfare of CSSA recipients should be kept in view, e.g. need for social support and assistance. The Commission would also keep in view on the on-going reviews of the CSSA Scheme and the relevant policy implications to poverty alleviation (e.g. CSSA level should be no higher than basic needs/subsistence lest the negative impact on motivation to work /self-reliance).