

Commission on Poverty

Progress Report

(February 2005 – August 2006)

PURPOSE

This paper provides an overview of the work of the Commission on Poverty (CoP) and the Administration in strengthening efforts in poverty alleviation and prevention during the past year and a half¹.

WORK OF THE COMMISSION

2. Since its establishment, the CoP has focused on the following six key areas of work viz. (i) understanding poverty, (ii) adopting the district-based approach in alleviating and preventing poverty, (iii) reducing the risk of intergenerational poverty, (iv) promoting “from welfare to self-reliance”, (v) encouraging social enterprise development and (vi) addressing the needs of elderly persons in poverty. Some of the key initiatives are highlighted in paragraphs 3 to 10 below. *Annex A* provides an overview of each area of work and sets out the underlying aims and objectives.

(I) Understanding poverty

3. A set of updated poverty *indicators* for 2005 was released by the Government Economist². Most of the indicators exhibited improvement in 2005 in tandem with the sustained economic upturn, though some indicators demonstrated mixed performance. The indicators provide a broad overview of how the poverty situation evolves over time. The Government would make reference to the indicators as well as other tools in formulating policy relevant to poverty alleviation.

4. Separately, a study on the *impact of taxation and social benefits on household income distribution* is being conducted in order to enhance our understanding on how Government benefits/transfers affect income of different households, especially the low-income groups. A study on *earnings mobility*, including intergenerational earnings mobility, is also being conducted.

¹ The last two progress reports are available at www.cop.gov.hk (CoP Paper 24/2005 of September 2005, and CoP Paper 2/2006 of January 2006).

² Please refer to CoP Paper 14/2006.

(II) Adopting the district-based approach

5. A total of \$150 million has been committed in the next five years to reinforce work in preventing and alleviating poverty at the district level. \$30 million was allocated to the “***Enhancing Self-Reliance Through Partnership Programme***” under the Home Affairs Department in 2006/07 to promote sustainable poverty prevention and alleviation efforts at the district level that help enhance self-reliance, with particular focus in promoting social enterprise and opportunities for the disadvantaged to upgrade themselves and to integrate effectively into the community. The first batch of applications has been received.

6. Separately, the Task Force on the District-based Approach is conducting a study on ***District-based Support for the Disadvantaged*** which aims at examining the best practices and supportive framework in promoting poverty alleviation work in a sustainable manner at the district level, taking into account the experience of the three pilot districts, the “Enhancing Self-Reliance Through District Partnership Programme”, and other relevant studies and programmes.

(III) Reducing the risk of intergenerational poverty

7. The following are the key initiatives undertaken by the Task Force on Children and Youth to strengthen our efforts in tackling intergenerational poverty -

- (a) A pilot project “***My STEP***”, including tailor-made motivation programmes, post-programme support and active job placement, will be implemented in order to tackle the ***hardcore cases*** of non-engaged youths.
- (b) A research on “Strengthening Parenting Support for Disadvantaged and Hard-to-reach Parents” is being conducted in order to facilitate the Task Force to consider how to ***strengthen parenting support*** to parents from disadvantaged families.
- (c) The Task Force would continue to examine the feasibility of setting up a ***Child Development Fund*** in Hong Kong, including organizing a Child Development Forum in November 2006 to help gauge community views on a model that can best suit Hong Kong’s circumstances.

(IV) Promoting “from welfare to self-reliance”

8. The following are the key CoP initiatives to further encourage the able-bodied unemployed to move from welfare to self-reliance -

- (a) A ***travelling support scheme*** was introduced since April 2006 to help eligible graduates of the Employees’ Retraining Board (ERB) to meet transport costs associated with seeking employment or during their first month of employment;

- (b) CoP also suggested at its meeting on 27 March 2006 that the Administration should consider providing *further transport support* to low-income employees living in remote areas, with a view to launching a pilot in 2006/07.
- (c) Health, Welfare and Food Bureau (HWFB) would conduct a more detailed examination of the existing arrangements of *disregarded earnings* (DE) in consultation with the Social Welfare Advisory Committee (SWAC).
- (d) A District Study on Employment Assistance has been conducted which recommends adopting a more *people-oriented, integrated and targeted approach* in delivering employment assistance to the “difficult to employ”. Bureaux and departments are considering the recommendations therein.

(V) Encouraging social enterprise (SE) development

9. The following are the key CoP initiatives to further encourage SE development in Hong Kong -

- (a) Establish the value of the concept and gain public acceptance through publicity, conferences, seminars and researches.
- (b) Encourage a SE-friendly policy/regulatory environment e.g. the “Enhancing Self-Reliance Through Partnership Programme” would provide support for SE development at the district level; exploratory discussions are being held to make the government procurement regime more SE-friendly.
- (c) Encourage formation of a SE Consortium among academia to promote SE training programmes, business-plan competition, cross-sector partnerships and networking with overseas institutes. An Ad Hoc Group on SE Training has been established and \$9.8 million has been earmarked in the 2006/07 Budget for supporting SE initiatives.

(VI) The elderly in poverty

10. An Ad Hoc Group on the Elderly in Poverty has been formed under CoP to facilitate liaison work with the Elderly Commission (EC) on measures to assist the elderly in poverty. Four key areas have been identified, including health needs, financial needs, other needs in daily living, and social support. The Ad Hoc Group would identify short-term improvements as well as longer term policy direction to better address such needs.

WORK OF OTHER BUREAUX

11. Apart from the CoP, relevant bureaux and departments also continue their efforts to empower and promote the interest and self-reliance of the disadvantaged through various means. *Annex B* highlights the progress of the policies and initiatives of relevant bureaux/departments in the past year and a half, as well as those being planned, which contribute to Government's efforts in poverty alleviation and prevention.

ADVICE SOUGHT

12. Members are invited to -
- (a) note the progress of the Commission made in six key work areas (paragraphs 3 – 10 and Annex A); and
 - (b) note the work of relevant bureaux and departments at Annex B.

Commission Secretariat
September 2006

Commission on Poverty
Highlights of Major Areas of Work (as at August 2006)

Key Work Area (I) - Understanding Poverty

Overall objective: To enhance understanding of the poverty situation in Hong Kong through developing indicators and conducting relevant studies. Such efforts would be complemented by work at the district level (Key Work Area II – District-based Approach).

| Aim | Action |
|--|---|
| For an affluent society like Hong Kong, poverty should not be defined rigidly as one fixed figure or line based on income. As in the case of other developed economies, Hong Kong should adopt a multi-dimensional approach in sizing up poverty and pragmatically focus on the needs of the disadvantaged groups. | <ul style="list-style-type: none">➤ A set of 24 <i>poverty indicators</i> has been developed by the Government Economist to reflect the poverty situation in Hong Kong, and to facilitate broad strategy planning.➤ An update of the indicators for 2005 was released and made available at the CoP website. |
| The current income statistics are based on gross income without taking into account the impact of Government benefits/transfers (e.g. salary tax, housing, education and medical benefits) which have a redistributive effect and aim to alleviate poverty. Post-transfer income will facilitate a better understanding of the well-being and poverty situation faced by the low-income group. | <ul style="list-style-type: none">➤ At the meeting on 23 January 2006, Members asked the Government Economist to conduct an assessment on the <i>impact of Government benefits/transfers</i> on the income and well-being of the different income groups.➤ Results are expected to be available by end 2006. |
| Besides looking at current earnings, a study of the earnings mobility over time, including intergenerational earnings mobility, is important to ensure that there are opportunities in our society for low-income employees and their children to move up the income/social ladder through their own efforts and participation in economic activities. | <ul style="list-style-type: none">➤ The Government Economist is conducting a <i>study on earnings mobility</i> in recent years, including intergenerational earnings mobility.➤ Results are expected to be available by end 2006. |

CoP Key Work Area (II) – Adopting the District-based Approach

Overall objective: To adopt a district-based approach to alleviate and prevent poverty through energising district networks and focusing resources in addressing key local priorities and challenges. A Task Force on the District-Based Approach has been established to follow-up on further work.

| Aim | Action |
|--|---|
| Different districts have their own characteristics and problems; poverty alleviation work should be district-based as local personalities should be in the best position to identify the priorities of the district, and to design corresponding solutions. | <ul style="list-style-type: none"> ➤ Following CoP's visits to Tin Shui Wai, Kwun Tong and Sham Shui Po, <i>district task forces</i> chaired by District Officers have been set up with the involvement of relevant parties. District <i>action plans</i> are being implemented to tackle local challenges. ➤ At the Task Force meeting on 15 March 2006, District Officers of the three pilot districts reported progress of their district action plans and other poverty alleviation work. |
| The Administration is committed to reinforcing the district-based approach by providing districts with additional resources. | <ul style="list-style-type: none"> ➤ A total of \$150 million has been committed in the next five years to reinforce work in preventing and alleviating poverty at the district level. \$30 million was allocated to the "<i>Enhancing Self-Reliance Through Partnership Programme</i>" under the Home Affairs Department in 2006/07 to promote sustainable poverty prevention and alleviation efforts at the district level that help enhance self-reliance, with a particular focus in promoting social enterprise and opportunities for the disadvantaged to upgrade themselves and to integrate effectively into the community. The first batch of applications has been received. |
| CoP would make recommendations on the long-term strategy in implementing the district-based approach, taking into account the experience of the three pilot districts, the " <i>Enhancing Self-Reliance Through District Partnership Programme</i> ", and other relevant studies and programmes. | <ul style="list-style-type: none"> ➤ A <i>Study on District-based Support for the Disadvantaged</i> is being conducted in the three pilot districts which aims at examining the best practices and supportive framework in promoting poverty alleviation work in a sustainable manner at district level. ➤ Another project on Community Engagement and Joint Actions against Poverty in Tin Shui Wai North, which aims to engage the local community to combat poverty through job creation, promotion of local economy and tripartite collaboration, is being planned. |

CoP Key Work Area (III) – Reducing the Risk of Intergenerational Poverty

Overall objective: To reduce the risk of intergenerational poverty, viz. lack of material resources of the older generation from becoming deprivation of the younger generation's access to opportunities. A Task Force on Children and Youth has been established to follow-up on further work.

| Aim | Action |
|---|---|
| <p>To improve understanding of the younger generation at risk of poverty.</p> <p>Such risk factors are not limited to income/ socio-economic status (SES), but also other environmental factors and subjective variables (such as special needs and motivation deficit of the children themselves).</p> | <ul style="list-style-type: none"> ➤ Work in Key Work Area I (poverty indicators, earnings mobility study) would enhance the understanding. ➤ The Task Force has examined the existing screening mechanisms in place to identify children and youth at risk. ➤ The Task Force has drawn reference from the correlation between SES and academic performance in Hong Kong, which is not strong by international comparison. Hong Kong students generally perform well regardless of their SES. |
| <p>To examine policies and measures to ensure that there are effective intervention for the younger generation at risk, to identify possible gaps and formulate policy recommendations.</p> | <ul style="list-style-type: none"> ➤ The Task Force has identified the need for enhanced assistance to tackle the hardcore cases of non-engaged youths. A pilot project “My STEP”, including tailor-made motivation programmes, post-programme support and active job placement will be implemented in the latter half of 2006. An evaluation will be conducted with a view to analyzing the reasons for protracted stay on CSSA. ➤ The Task Force has organized a sharing session to examine how to strengthen parenting support to parents from disadvantaged families. Policy bureaux and relevant advisory committees would take into account the discussion in planning their future work. A research on strengthening parenting support to hard-to-reach parents is being conducted. Research findings will be available by end 2006. ➤ The Task Force has examined overseas experience in adopting the asset-based approach for child development and the possibility of establishing a child development fund in Hong Kong. A Child Development Forum will be held on 10 November to identify a model suitable to Hong Kong's circumstances, and to further promote child development. |
| <p>To mobilize community resources in building social capital among the younger generation and consider launching pilot projects</p> | <ul style="list-style-type: none"> ➤ Two projects have been implemented – a Mentorship Fun Project to encourage building up social capital in the education sector, and a “Adopt-a-school” Project using schools as a platform for cross-sector partnership in poverty alleviation and prevention. ➤ An additional \$10 million has been allocated to EMB to facilitate the opening up of school premises for community use in areas deficient in community facilities. |

CoP Key Work Area (IV) – Promoting “From Welfare to Self-reliance”

Overall objective: Having regard to the CSSA caseload of able-bodied recipients and the unemployment situation of the “difficult to employ”, to encourage work and to strengthen the support to able-bodied unemployed to move from welfare to self-reliance.

| Aim | Action |
|---|---|
| To enhance incentives to encourage work. | <ul style="list-style-type: none"> ➤ A trial <i>travelling support scheme</i> for eligible graduates of the Employees’ Retraining Board (ERB) was introduced with a view to facilitating the unemployed to move from unemployment to work. ➤ District Employment Assistance Trial Projects will be launched in latter half of 2006 to provide more targeted assistance to the long-term unemployed and ‘hard-to-assist’ cases, which include <i>one-off incentive</i> of \$1,500 to encourage participants who have secured a full-time job to meet work-related expenses in the first month. ➤ The Government is considering how to provide <i>further travel support</i> with a view to launching a pilot project in 2006/07. ➤ Health, Welfare and Food Bureau (HWFB) would conduct a more detailed examination of the existing arrangements of <i>disregarded earnings</i> (DEs) by end 2006. |
| To enhance the effectiveness and interface of existing policies and measures in helping the unemployed, including training and delivery of employment assistance. | <ul style="list-style-type: none"> ➤ A <i>District Study on Employment Assistance</i> has been conducted. The Study recommends adopting a more people-oriented, integrated and targeted approach in assisting the “difficult to employ”. Government bureaux/departments are considering the recommendations. ➤ In the Budget 2006/07, \$60 million has been allocated for the extension for Intensive Employment Assistance Projects (IEAPs) for two years. ➤ Training/re-training initiatives would be examined at the CoP meeting in September 2006. |
| To encourage creation of community employment opportunities. | <ul style="list-style-type: none"> ➤ Work in Key Work Area V – promoting social enterprise development – is relevant. |

CoP Key Work Area (V) – Encouraging Social Enterprise (SE) Development

Overall objective: In support of the direction “From Welfare to Self-reliance”, to further encourage the development of social enterprises (SEs) to provide community employment opportunities for the unemployed to integrate into the job market. An Ad hoc Group on SE Training has also been set up to promote social entrepreneurship training.

| Aim | Action |
|--|--|
| (a) Establish the value and gain public acceptance | |
| <p>To conduct research on SE development.</p> <p>To organize forums to further the understanding on SE, and to involve the business sector and the wider community in considering the potential of using SE to assist the able-bodied unemployed.</p> | <ul style="list-style-type: none"> ➤ Central Policy Unit has commissioned a research on SE development in Hong Kong and one on overseas experience. Preliminary observations have been presented at the SE Conference on 6.4.2006. Reports will be presented in later half of 2006. ➤ An introductory lunchtime seminar was held on 1 November 2005 for relevant policy makers and advisory body members. ➤ A Conference on SE was held on 6.4.2006 for policy makers, business, academia and others interested in SE development (http://www.seconference.gov.hk/) ➤ A TV series on SE development in Hong Kong and overseas was produced and disseminated. |
| (b) Create an enabling environment | |
| <p>To promote the concept of SE among those responsible for public procurement at both the central and district level.</p> <p>To consider administrative/policy barriers which hinder the development of SE at the district level and in specific sectors.</p> | <ul style="list-style-type: none"> ➤ The Hospital Authority (HA) has already increased the weighting of employment of disabled persons in awarding contracts from 5% to 10% of the total score since November 2005, and that the Administration would continue to see if there could be further increases of this weighting in future in HA as well as other public bodies. ➤ Exploratory discussions being held on how to make government procurement regime more SE friendly. ➤ The requirement of the Enhancing Employment of People with Disabilities through Small Enterprise Project (“Seed Money” Project) to employ no less than 60% of disabled people would be relaxed to 50%. This relaxation should enable SE to widen their range of business activities and allow more unemployed and disabled persons to benefit. |

| | |
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| | <ul style="list-style-type: none"> ➤ HWFB would consider whether there is still a need to amend the Co-operative Societies Ordinance after the enhanced assistance for SE development is in place. ➤ HWFB would keep in view SE development and how it may integrate with existing employment assistance programmes. |
| (c) Business facilitation and support | |
| <p>To consider funding source in support of start-ups of SE for disadvantaged groups other than the disabled.</p> <p>To empower and motivate social entrepreneurs, including training, facilitating business-mentoring network and sharing of international best practices, etc.</p> <p>To extend existing support to SMEs to SEs which are essentially a subset of SMEs.</p> | <ul style="list-style-type: none"> ➤ The "<i>Enhancing Self-Reliance Through District Partnership Programme</i>" which promotes sustainable poverty prevention and alleviation efforts at the district level would help start-up funding of sustainable SE initiatives. Projects with a clear employment focus, including SE, would be given priority although district initiatives which can meet other CoP's work objectives will also be considered. ➤ A <i>SE Consortium</i> among academia is being formed to encourage SE training programme development, business-plan competition, cross-sector partnerships and networking with overseas institutes. ➤ A Sharing Session on Assessment of Training Needs was held on 24 July 2006 to ascertain the training needs of NGOs on social entrepreneurship. ➤ \$9.8 million was earmarked for supporting SE initiatives, including nurturing social entrepreneurs and strengthening their training. ➤ Brainstorming session with members of the Small and Medium Enterprises (SME) Committee and CoP members was held on 24 November 2005. An SE/SME seminar was held on 11.2.2006. <i>Existing support to SMEs would be extended to SEs -</i> <ul style="list-style-type: none"> ■ SME Mentorship Programme; ■ "Meet-the-Advisors" Business Advisory Service; and ■ Business information and other activities for SMEs. |

CoP Key Work Area (VI) – Assisting the Elderly in Poverty

Overall objective: To examine the key needs of the elderly in poverty, and to identify short-term improvements as well as longer term policy direction to better address such needs. An Ad Hoc Group has been set up to facilitate the liaison work with the Elderly Commission (EC).

| Aim | Action |
|---|---|
| Health needs of the elderly in poverty but not on CSSA. | <ul style="list-style-type: none"> ➤ In the short run, the Ad Hoc Group would look into further improving the accessibility of subsidized medical service by non-CSSA recipients through improving the present medical fee waiver mechanism (e.g. duration, operation), and strengthening preventive measures. ➤ In the longer run, HWFB will take into account the needs of the elderly in poverty in the review of health care financing and long-term care. |
| Financial needs | <ul style="list-style-type: none"> ➤ In the short run, building on the existing Comprehensive Social Security Assistance (CSSA) Scheme which provides a safety net for the elderly with financial needs, the Ad Hoc Group would explore if there is room to adjust the current CSSA assets limit for the elderly poor. ➤ In the meantime, elderly persons with financial needs should be encouraged to come forth and be assisted by the CSSA Scheme. Ways to reduce the ‘stigmatization’ of the CSSA scheme should be considered. ➤ In the long-term, the Ad Hoc Group will also consider the issue of retirement protection. |
| Other needs in daily living | <ul style="list-style-type: none"> ➤ Building on the existing network of District Elderly Community Centres (DECCs), the Ad Hoc Group would consider how to strengthen the efforts aimed at locating the ‘hidden elderly’ (such as those living alone or in remote places and those who do not get along well with their families) and the subsequent services provided to them. |
| Social support | <ul style="list-style-type: none"> ➤ Building on existing work of HWFB and EC, the Ad Hoc Group will explore with the EC on how to better tap community resources (such as elderly volunteers and volunteers from the private sector) to provide care to the “hidden elderly” . ➤ The Ad Hoc Group would explore with the EC on how to promote continued learning by the elderly in order to encourage their continued participation in the society and to provide better support to the other less advantaged. |

**Poverty alleviation and prevention measures
implemented or being planned by relevant bureaux**

The following sets out new policies and initiatives of relevant bureaux/departments announced in the past year and a half, and those being planned, which strengthen the work of poverty alleviation and prevention to the disadvantaged and complements the work of the Commission.

Health, Welfare and Food Bureau

(i) Comprehensive Child Development Service

2. The Comprehensive Child Development Service (0-5 years) (CCDS), an initiative set out in the Policy Address in January 2005, is a universal programme aiming at augmenting the existing service in the Maternal and Child Health Centres (MCHCs), through better alignment of the delivery of health, education and social services, to ensure early identification of the varied needs of children and their families so that appropriate services can be made available to them in a timely manner. While CCDS is not by nature a poverty alleviation initiative, it helps identify needy children and families, including poor families, and provide them with assistance at an early stage. The first pilot CCDS has been launched in Sham Shui Po in July 2005. It has also been extended to the remaining three selected communities (i.e., Tin Shui Wai, Tuen Mun and Tsuen Kwan O) in early 2006. Additional resources have been allocated to improve the pilot service of CCDS, and subject to a review of the pilot service in the fourth quarter of 2006, extend the service to other communities in phases.

(ii) Additional resources to District Social Welfare Officers (DSWOs) to support district-based work

3. To address the developmental needs of those children and youth who are in disadvantaged circumstances in the districts, an annual recurrent new provision of \$15 million has been earmarked effective from 2005-06. The \$15 million has been allocated to the twelve¹ administrative districts of the Social Welfare Department (SWD) having regard to various social indicators on disadvantaged children and youth by district for implementing the District Support Scheme for Children and Youth Development (the Scheme).

4. The Scheme is intended to meet i) learning and education needs; ii) job skills training and employment needs; and iii) social needs of children and youth aged 0 to 24 in deprived circumstances. The DSWOs may use the allocated resources to meet the needs of the target groups through implementation of developmental projects or through direct cash assistance. DSWOs would

¹ Thirteen administrative districts merged into twelve w.e.f. 14.10.2005

identify or partner with welfare organizations including SWD departmental units, subvented non-governmental organizations and other welfare organizations to implement the Scheme.

(iii) Implementation of P.A.T.H.S. to Adulthood : A Jockey Club Youth Enhancement Scheme

5. The captioned is a new programme financed by the Hong Kong Jockey Club with SWD and Education and Manpower Bureau as partner organizations. It was launched in early April 2005 for junior secondary students to enhance their psycho-social development, such as competency, character and so on. There will be two tiers of programme, one for all junior secondary students and the other for those identified to be in greater need. For the 2005/06 school year, it will be an experimental phase and 52 schools have joined. The project will be fully implemented in the 2006/07 school year.

(iv) Partnership Fund for the Disadvantaged

6. The \$200 million Partnership Fund for the Disadvantaged, which promotes the development of a tripartite social partnership comprising the Government, the business community and the welfare sector in helping the disadvantaged, was launched in March 2005. Funds are disbursed in the form of a matching grant for applications by welfare non-governmental organizations (NGOs) who are able to secure corporate sponsorship in organizing projects for the direct benefit of the underprivileged groups. In the first and second rounds of applications launched in 2005, 71 applications were received and 43 were approved with grants provided by the Fund at \$13.5 million to match the \$16.1 million donations in cash and in-kind from 109 business partners, for implementing a variety of welfare initiatives for about 120 000 disadvantaged persons.

7. The third round of applications commenced on 21 July 2006. Applications can be made by NGOs all year round before 20 July 2007. The maximum matching grant for each approved project has been raised from \$500,000 to \$1 million and each NGO can obtain a maximum of three grants. Donations from charitable foundations/trusts established by business corporations are also recognized for matching purpose.

(v) Community Investment and Inclusion Fund

8. The Government has set up the \$300 million Community Investment and Inclusion Fund to encourage innovative solutions through cross-sectoral partnerships to build community capacity for mutual help. As of August 2006, 116 projects have been selected, with early results of enhanced social and economic outcomes being achieved and contributed to breaking the cycles of inter-generational deprivation. Expected outcomes include: (i) Increased resilience – with over 19,000 (vulnerable) ex-service recipients transformed into contributive helpers, self-managing over 210 mutual help networks and 20 potential work co-operatives; (ii) Increased vitality - over 3 000 job and other

development opportunities created for the new arrivals, disengaged youth, middle-aged unemployed, ethnic minorities, elders and the homeless to be re-engaged with the mainstream society; and (iii) new cross-sectoral partnerships that involved over 2 700 collaborators from schools, businesses, professional bodies, NGOs, resident and women's groups and government departments.

(vi) Comprehensive Social Security Assistance (CSSA) Scheme

9. Regarding the CSSA Scheme, HWFB has -

- evaluated the intensive employment assistance projects for able-bodied recipients;
- implemented a \$100 monthly supplement for severely disabled CSSA recipients living in the community;
- extended the Portable CSSA Scheme for the elderly to Fujian Province and relaxed the eligibility requirement for participation.

Education and Manpower Bureau

(i) School-based After School Learning and Support Programmes

10. To tie in with the Government's policy on poverty alleviation, EMB has provided additional funding for organizing School-based After-school Learning and Support Programmes (the Programmes) for needy students with effect from the 2005/06 school year. The focus of the Programmes is to provide more assistance and opportunities to the younger generation of needy families to improve their learning effectiveness, broaden their learning experiences outside classroom, and raise their understanding of the community and sense of belonging. The target group is P1 to S7 students from CSSA families or in receipt of full-grant assistance under student financial assistance schemes. A revised mode of disbursement will be implemented as from the 2006/07 school year. A School-based Grant at the rate of \$200 per target student will be disbursed to schools. The remaining provision will be used for Community-based Projects to be conducted by NGOs. There are a total of 959 schools accepting the 2006/07 School-based Grant, benefiting around 187 400 target students. As for the Community-based Project grant, 208 applications from NGOs have been approved.

(ii) Small class teaching

11. Starting from the 2005/06 school year, EMB implements small class teaching (SCT) in schools with a high concentration of disadvantaged students, as a means to help those children, and, in so doing, to support the Government's pledge to alleviate inter-generational poverty. This Scheme takes into account overseas research studies which indicate that SCT has more significant effects on students with weak family support and in their early years of schooling. Schools having 40% of their P.1-P.3 students receiving CSSA or full grant assistance under

student financial assistance scheme are eligible to participate. The selected schools are provided with a cash grant of \$290,000 per annum for each additional class to enable them to split their P.1 – P.3 students into small classes of 20 – 25 for the Chinese, English and Mathematics lessons. Apart from cash grant, the schools will be provided with professional support to help the teachers develop effective pedagogical strategies to maximize the benefits of SCT. In the 2005/06 school year, a total of 75 primary schools met the 40% threshold and 29 of them joined the scheme. More schools meeting the eligibility criterion will join the scheme in the 2006/07 school year.

(iii) Enhancement of uniformed/youth groups activities

12. As an enhancement measure, EMB has provided additional subsidies for a period of five years from 2005/06 school year to 2009/10 school year to assist needy student members of Uniformed Groups (UGs)/The HK Award for Young People (AYP). The subsidies cover the grant on uniforms, leadership training, campings/outings and setting up of new leagues.

(iv) Opening Up School Premises for Community Use

13. As an integral part of Government efforts in poverty alleviation, non-recurrent funding has been provided as from the 2005/06 school year to encourage schools, particularly those located in districts lacking community facilities for educational purpose, such as Yuen Long, Tseung Kwan O and Tung Chung, to open up the school premises and share their facilities with the community. The funding covers expenses for school projects over a period of five years (2005/06 school year to 2009/10 school year).

(v) Strengthening training and retraining services

14. The Employees Retraining Board (ERB) offers annually about 100 000 retraining places (about half being offered in placement-tied courses) at over 180 centres throughout the territory. Training places can be adjusted among the districts by the respective training bodies (subject to the ERB's approval) taking into account the number of retrainees as well as market needs.

15. During the first six months of 2006, the ERB has set up three new retraining centres in Yuen Long district (covering Tin Shui Wai), on top of the existing nine centres, to cater for the increasing demand for retraining in that area. In terms of training capacity, the number of training places in the district amounted to over 5,700 in 2005-06, and the average placement rate of the full-time courses was 83%.

16. The ERB has stepped up its promotional efforts by launching district-based road shows on retraining services in various regions. In 2005-06, a total of four road shows were held in Tin Shui Wai, Sham Shui Po, Wong Tai Sin and Kwai Ching Districts. The ERB also sponsors its training bodies in

launching district-based promotion in areas of great demand. In 2005-06, a total of ten such district-based promotional activities were organized.

17. Separately, the Task Force on Continuing Development and Employment-related Training for Youth has provided sponsorship of more than \$30 million to support 20 pilot projects for the non-engaged youth, benefiting some 4 350 young people. The Task Force is considering sponsorship of more projects to help the non-engaged youth.

Economic Development and Labour Bureau

(i) Enhanced employment assistance to districts since 2005

18. To strengthen employment assistance to districts, the Labour Department (LD) has equipped the 10 job centres in various districts with additional fax machines and newspapers with vacancy information to encourage job seekers to make applications to employers direct.

19. In addition to the 39 vacancy search terminals (VST) installed at all Social Security Field Units of the Social Welfare Department, LD has since January 2005 further installed 18 VSTs at the Public Enquiry Service Centres / Community Centre of various districts to facilitate job seekers to gain access to a wide range of job vacancies.

20. To promote self-reliance among job seekers, LD has since January 2005 set up resource corners in all job centres, which are equipped with reference books covering skills on job searching, resume writing and selection interview, as well as updated employment or training materials. All job seekers, in particular ethnic minorities and new arrivals from the Mainland, are encouraged to use the resource corners to obtain comprehensive employment information and attend employment briefings conducted regularly in job centres.

21. At the same time, LD has enhanced its employment briefings with updated labour market information, job search skills, retraining materials and self-reliant messages to encourage the unemployed to be more positive and self-reliant, so as to help them better prepared for re-entering into the labour market.

22. To address the employment needs of the ethnic minorities, the Kowloon West Job Centre regularly provides information on LD's recruitment activities such as employment briefings, job fairs, bulk interviews, recruitment forums etc to the concerned non-governmental organizations for dissemination to ethnic minorities of various districts.

23. The Tuen Mun and Tai Po Job Centres are expanded to enable district-based job fairs to be held on the spot. This will capture more local employment opportunities and facilitate job seekers living in the northern part of the New Territories to attend job interviews without the need to travel to urban areas.

24. LD will set up new job centres in Yuen Long and Sheung Shui to provide job-seekers living in remote areas with a full range of employment services. They will commence operation in late September 2006.

25. To reach out to job seekers in the more remote parts of the New Territories, LD organized 22 large-scale job fairs from January 2005 to August 2006, some of which were held in districts like Tsing Yi, Sheung Shui, Kwai Chung, Tuen Mun and Tin Shui Wai.

26. To cater for the employment needs of youths living in remote areas, LD staged a series of four job fairs in March and April 2005 in Kwai Chung, Yuen Long and Tin Shui Wai in cooperation with nine NGOs with local service centres in the North-western New Territories. In March 2006, LD organized another job fair in cooperation with seven NGOs at Olympian City. Free transport was provided to facilitate youths living in remote areas to participate in the job fair.

27. To sustain this momentum, NGOs joining the Youth Work Experience and Training Scheme have continued to organize job fairs for youths in various districts. From January 2005 to August 2006, 15 job fairs were organized by the NGOs. LD participated in , assisted or provided sponsorship for these job fairs.

(ii) Work Trial Scheme

28. LD launched the Work Trial Scheme in June 2005. The objective of the Scheme is to enhance, through work trial opportunities, the employability of job seekers who have special difficulties in finding jobs, such as job seekers who have registered at LD for a prolonged period but remain unemployed and those who have failed repeatedly in job interviews.

29. During the one-month work trial period, participants will be arranged to work in real jobs offered by participating organizations, which will also provide on-the-job training and appoint a mentor to the participants. There will be no employment relationship between the participant and the participating organization. To safeguard the interests of the participants, LD will take out insurance for them. LD will also encourage participating organizations to offer employment to participants after completion of the work trial.

30. On satisfactory completion of the one-month work trial, the participant will be paid an allowance of \$4,500 from LD. As a token of commitment, participating organizations will also be required to contribute \$500 for each participant engaged, making the amount of allowance to \$5,000 for each participant.

31. As at end-August 2006, 856 job-seekers have been placed into work trials.

Home Affairs Bureau

District-based approach in alleviating and preventing poverty

32. District Officers have stepped up their efforts on poverty alleviation work. For the three more deprived districts, District Officers have set up new district forums to coordinate efforts in poverty prevention and alleviation. Additional resources will be squeezed within the department wherever necessary to support the poverty prevention and alleviation work in these districts.

Commission Secretariat
(with input from relevant bureaux)
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