

SOCIAL WELFARE ADVISORY COMMITTEE

社會福利諮詢委員會

本會檔號 Our Ref.: LWB CR 1/5091/07(08)  
來函檔號 Your Ref.:

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14 April 2010

Ms Sohpiea Kao Ching-chi, SBS, JP  
Chairperson  
Women's Commission  
10/F Citibank Tower  
Garden Road Central

Dear Ms Kao, *Sophia*

**Long-term Social Welfare Planning in Hong Kong  
Second-stage Consultation**

I write to inform you of the commencement of the second-stage consultation of the long-term social welfare planning study undertaken by the Social Welfare Advisory Committee (SWAC) and invite comments and input from your committee.

**Background**

SWAC has been tasked by the Chief Executive to study the long-term development planning for social welfare in Hong Kong. To kickoff the study, SWAC invited stakeholders in the sector in 2008 to offer their initial views on a number of key issues pertinent to the study.

In the light of the diverse views received during the first-stage consultation, SWAC has set up a Task Group on Welfare Planning (Task Group) to take forward the study. With the assistance of the Task Group, SWAC has conducted an "environmental scan" to identify major issues and factors affecting the provision of welfare services at present and come up with a set of guiding principles and strategic directions for the long-term planning and provision of the welfare services at the macro level. For the purpose of the second-stage consultation with stakeholders, SWAC has prepared a consultation paper at **Annex A**. The paper has also been uploaded onto SWAC's website (<http://www.swac.org.hk>).

### Invitation of comments

Your committee is invited to offer views and comments on the issues identified and principles / strategic directions proposed in the consultation paper. Other views relevant to the study are of course welcome. Please send us the written comments by post (Address: SWAC Secretariat, Room 805, 8/F, West Wing, Central Government Offices, Central), by fax (2110 0657 or 2524 7635) or by email ([welfareplanning@swac.org.hk](mailto:welfareplanning@swac.org.hk)) on or before **31 July 2010 (Saturday)**.

### Consultation sessions

As part of the consultation process, we have arranged four consultation sessions where SWAC Members will present the consultation paper and exchange views with the welfare sector and relevant stakeholders direct. Details of the consultation sessions are as follows –

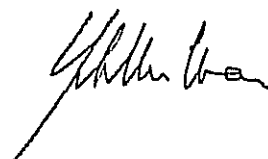
Date and time	Venue
<b>7 May 2010 (Friday)</b> 3:30 p.m. to 5:30 p.m.	Cultural Activities Hall Sha Tin Town Hall 1 Yuen Wo Road Sha Tin New Territories
<b>13 May 2010 (Thursday)</b> 3:30 p.m. to 5:30 p.m.	Lecture Hall Sheung Wan Civic Centre Sheung Wan Municipal Services Building 345 Queen's Road Central, Hong Kong
<b>19 May 2010 (Wednesday)</b> 3:30 p.m. to 5:30 p.m.	Black Box Theatre Kwai Tsing Theatre 12 Hing Ning Road Kwai Chung New Territories
<b>24 May 2010 (Monday)</b> 3:30 p.m. to 5:30 p.m.	Lecture Hall Hong Kong Space Museum 10 Salisbury Road Tsim Sha Tsui Kowloon

If your committee is interested in attending any of the above consultation sessions, please make advance booking of seats with us by completing the reply slip attached at **Annex B** and return it to us by fax or email on or before **3 May 2010 (Monday)**. Seats will be allocated on a first-come-first-serve basis. Owing to the limitation of seats available at different venues, we will not be able to entertain any walk-in participant, and therefore prior registration for the consultation sessions is required.

### **Enquiry**

For any questions relating to the consultation exercise, please feel free to call Miss Vicky Cheung at 2810 3432 or Miss Fanny Lui at 2810 3433.

Yours sincerely,



(Professor Chan Yuk-shee)  
Chairman  
Social Welfare Advisory Committee

Encl.

c.c. Secretary, Women's Commission

**REPLY SLIP**

*Please reply by fax or email  
on or before 3 May 2010*

To : Social Welfare Advisory Committee (Attn: Miss Fanny LUI)  
 Fax : 2110 0657  
 E-mail : welfareplanning@swac.org.hk

**Long-term Social Welfare Planning in Hong Kong  
Second-stage Consultation**

Name of Committee: \_\_\_\_\_

Please be informed that the following representative(s) from our committee will attend the consultation session(s):

	<u>Name</u>	<u>Post</u>
1.	_____	_____
2.	_____	_____
3.	_____	_____

\* *Please tick as appropriate and prioritise your preference if you wish to participate in more than one session*

	<u>Priority</u> (1 to 4)	<u>Date / Time</u>	<u>Venue</u>
<input type="checkbox"/>	_____	7 May 2010 (3:30 p.m. – 5:30 p.m.)	Sha Tin Town Hall
<input type="checkbox"/>	_____	13 May 2010 (3:30 p.m. – 5:30 p.m.)	Sheung Wan Civic Centre
<input type="checkbox"/>	_____	19 May 2010 (3:30 p.m. – 5:30 p.m.)	Kwai Tsing Theatre
<input type="checkbox"/>	_____	24 May 2010 (3:30 p.m. – 5:30 p.m.)	Hong Kong Space Museum

Note: *For any enquiries on the arrangement of the consultation sessions, please contact Miss Vicky CHEUNG at 2810 3432 or Miss Fanny LUI at 2810 3433.*

Signature : \_\_\_\_\_

Name : \_\_\_\_\_

Post : \_\_\_\_\_

Tel : \_\_\_\_\_

Email : \_\_\_\_\_

Date : \_\_\_\_\_

# **Long-term Social Welfare Planning in Hong Kong**

**Consultation Paper**

**Social Welfare Advisory Committee  
April 2010**

## Chapter 1 Introduction

1.1 For many years in the past the Government had adopted a Five-Year Plan (FYP) mechanism for planning our social welfare services. FYPs were basically working documents to monitor the extent to which the policy objectives relating to various welfare services as set out in the White Paper(s)<sup>1</sup> were achieved. FYPs also set specific targets for service delivery within the policy framework. As part of the monitoring mechanism, the Social Welfare Department (SWD) conducted periodical reviews on the FYPs (annually from 1973 to 1984 and biennially from 1985 to 1998) before submitting them to Social Welfare Advisory Committee (SWAC) for endorsement and then publication.

1.2 However, with the rapid and ongoing social and economic changes in the last few decades, FYP was considered rather rigid in terms of target-setting for, and monitoring of, service provision. Experience indicated that FYP lacked the flexibility to cope with the ever-changing needs of our society and was unable to respond to our welfare demands in a timely manner. It was therefore discontinued after 1999.

1.3 The Government has since adopted a more flexible approach to welfare planning, consulting the sector from time to time on the priorities for the immediate and medium terms. For instance, in 2004, the Administration and the welfare sector discussed the strategic framework for social welfare development and agreed on broad strategies such as “social investment” and “tripartite partnership”. Apart from consultative sessions organised by the bureau, there are regular consultations at the district level. In particular, SWD has introduced a District Welfare Planning Protocol and developed evidence-based social indicators to help prioritise district welfare needs. There is also a cross-service co-ordination mechanism to facilitate district welfare planning. Such flexible approach is also in line with the implementation of the Lump Sum Grant form of subvention since 2001 which gives subvented NGOs more flexibility in managing its resources so as to meet service demands.

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<sup>1</sup> White Papers on social welfare were issued in 1973, 1979 and 1991.

1.4 Clearly, Hong Kong needs a more macro, forward-looking and interactive planning mechanism that would enable us to swiftly and flexibly respond to the changing needs of our society and steer our social welfare development in the longer term. As one of the major advisory committees on welfare-related policies and issues, SWAC is responsible for keeping the welfare services under continuous review and is naturally concerned about our long-term welfare planning. As mentioned in his Policy Agenda 2007, the Chief Executive (CE) has tasked SWAC to study the long-term development planning for social welfare in Hong Kong. SWAC believes that the current study should aim at developing a blueprint for our future welfare system, rather than working out the detailed provision of services and resources. For such a blueprint to be sustainable, it should be able to address social issues at a strategic level and in a holistic manner, and identify the core values that underpin our welfare services. It is hoped that the strategic principles established in the study can effectively guide the future welfare planning of Hong Kong.

1.5 To kickoff the study, SWAC invited stakeholders in the sector to respond to a list of questions pertinent to the long-term development of social welfare in Hong Kong. Respondents' views, as reflected in their written submissions, were diverse, and focused mainly on service provision in specific areas. Key issues, such as how welfare planning should tie in with the existing policy planning and resource allocation processes of the Government, were not addressed.

1.6 As SWAC takes forward the next phase of consultation for the study, we hope this document can help put the study in context, thrash out guiding principles and align objectives, so that there are common grounds on which to develop more concrete proposals.

## **Chapter 2 Hong Kong in the 2000s – an Environmental Scan**

### **An overview of social welfare in Hong Kong**

2.1 The social welfare system of Hong Kong is highly developed and institutionalised. Apart from the provision of basic relief to those in need of immediate care and financial assistance, there is a wide range of preventive, developmental and remedial services for the general public. Subsidised welfare services in Hong Kong are available to all who need them, rather than confined to the socially and/or financially disadvantaged. Yet, the Government is also mindful that the provision of welfare services should not create a sense of dependency among the recipients, reduce their motivation and remove their incentives to work.

2.2 To meet the ever-changing needs of our population, publicly-funded services and schemes are reviewed constantly for improvement. The scope and mode of delivery of welfare services have also evolved. An integrated approach, for instance, was introduced in the mid-1990s. Services are provided in a more holistic, convenient and easily accessible way. This has fundamentally transformed the delivery of our mainstream services, specifically for the family and the youth. It has enabled non-governmental organisations (NGOs) to flexibly deploy resources and provide services in a more effective manner. This approach has become the mainstream service delivery model today.

2.3 As Hong Kong continues to experience drastic changes in terms of its demographic, economic and social development, welfare services will also continue to evolve to cope with the changing needs and aspirations of society. For the purpose of this study, SWAC has conducted an environmental scan to identify major issues and factors affecting the provision of welfare services at present, as it will shed light on the welfare needs in the long term.



## **Demographic changes**

2.4 An obvious starting point for assessing the welfare needs of a community is its demographic structure. According to the Census and Statistics Department (C&SD), Hong Kong's population has already reached 7 million by the end of 2009, an increase of 0.5% over that in 2008. The overall population of Hong Kong is projected to increase to 7.15 million and 7.45 million in 2011 and 2016<sup>2</sup> respectively. The overall population increase is mainly attributed to natural births in Hong Kong and the inflow of residents (mainly through the One-way Permit Scheme).

2.5 The population of Hong Kong has undergone not only an increase in size over the past decades, but also drastic changes in its composition, particularly in terms of the age profile. More specifically, the proportion of old people is increasing substantially and rapidly, resulting in a corresponding increase in the median age of our population and a higher elderly dependency ratio. According to C&SD, over the past decades (i.e. from 1961 to end of 2009), the elderly population has increased by more than 800 000 or at an average annual growth rate of about 5%. By the end of 2009, there were some 907 000 elderly persons (i.e. those aged 65 and above) in Hong Kong, accounting for about 13% of our population.

2.6 The ageing trend is expected to continue in the foreseeable future. The size of the population aged under 15 has fallen significantly – the outcome of a persistent reduction in the fertility rate. On the other hand, the proportion of the middle-age and old people (i.e. those aged 45 and above) has increased substantially. The proportion of elderly people has increased from 10.8% by the end of 1999 to 12.9% by the end of 2009. The median age of the population also rose from 36 by the end of 1999 to 41 in by the end of 2009. With the advancement of medical services and better health consciousness, we can reasonably

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<sup>2</sup> Figures are quoted from the C&SD's Hong Kong Population Projections 2007-2036. C&SD will conduct another population census and population by-census in 2011 and 2016.

expect people to live longer than before. The life expectancy at birth for male and female has risen from 77.7 and 83.2 in 1999 to 79.8 and 86.1 in 2009 respectively.

2.7 Hong Kong is a largely homogenous society, with about 95% of its people being Chinese (ethnically speaking, Han Chinese). The 2006 Population By-census found (by way of self-identification) that there were about 342 000 non-Chinese people in Hong Kong (including foreign domestic helpers), or about 5% of the population. The number of ethnic minorities living in Hong Kong in 2006 was more or less the same as that in 2001. Not all members of the non-Chinese groups are permanently settled in Hong Kong. Among ethnic minorities in Hong Kong, about 11% of them were born in Hong Kong. A total of 44.1% of ethnic minorities had resided in Hong Kong for seven years or more. While a wide range of services are put in place for the needy people, including ethnic minorities, it is important for us to ensure that our welfare system is able to cater to the special needs of the ethnic minorities.

### **Economic development**

2.8 At the same time, our economy is also undergoing structural changes, as Hong Kong transforms itself from a manufacturing economy into a service-oriented and knowledge-based economy. Fewer jobs are available to lower-skilled workers who are mainly middle-aged people. Although the employed population had grown from 3.07 million in 1996 to 3.50 million in the fourth quarter of 2009, the number of working persons in the manufacturing and construction industries had dropped significantly. This was because as Hong Kong continued to develop its service sector, the demand for lower-skilled workers had decreased, whereas the manpower need for the wholesale, finance and business, personal service sectors was on the rise.

2.9 The surplus workforce is more likely to receive a lower income. Although the Gross Domestic Product per capita of Hong Kong had risen significantly from \$191,000 in 1996 to \$233,200 in 2009, the number of low-income families had also increased during the period. Between 1996 and 2006, the median monthly income of people earning the most had risen steadily, whilst the median income of those earning the least

had remained unchanged<sup>3</sup>, indicating a widening income disparity<sup>4</sup>.

### **Social changes**

2.10 Demographic and economic changes aside, social changes also have a considerable impact on the provision of welfare services. The average size of domestic households dropped from 3.4 in 1996 to 2.9 in 2009. As regards household composition, the proportion of domestic households consisting of one unextended nuclear family<sup>5</sup> had also increased from 63.6% to 67% between 1996 and 2006.

2.11 Fundamental to the formation of new families is the decision to marry. The number of marriage registration in 2008 was larger than that in 1996, but couples tended to get married later in life. The median age at first marriage was 30 in 1996 for men and 26.9 for women, whereas the corresponding figures were 31.1 and 28.4 in 2008. The number of divorce had also increased, as reflected by the numbers of petitions filed and divorce decrees made: 12 800 and 9 500 respectively in 1996, rising to 15 700 and 17 800 respectively in 2008. This has led to a rise in the number of single parent families. The single parent population grew from 42 000 in 1996 to 72 000 in 2006. Their labour force participation rate, however, had dropped, and their median monthly income from employment in 2006 (\$9,000) was significantly lower than that of the general population (\$10,000).

2.12 Families in Hong Kong are not only facing structural changes; the relationships among family members have also changed. Some of the traditional core values to uphold family solidarity have been eroded.

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<sup>3</sup> 2006 Population By-census Thematic Report: Household Income Distribution in Hong Kong, C&SD, 2006. C&SD has analyzed the spread of employment income by ranking the employment income of the working population in ascending order by ten decile groups. The first decile group refers to the 10% of the working persons earning the least, while the 10<sup>th</sup> decile group represents the 10% of the working population earning the most.

<sup>4</sup> Another indicator showing income disparity is that the percentage share of households with monthly income below \$4,000 had risen from 6.7% in 1996 to 9.2% in 2006; whereas those households with a monthly household income at \$40,000 or above has risen from 15% to 17% during the same period.

<sup>5</sup> One unextended family refers to households comprising one family nucleus without other related persons. A family nucleus is a married couple without children, a married couple with one or more never married children, or one parent (either father or mother) with one or more never married children.

Traditional functions of the family as a support system to individuals have also changed. Some people believe that these are the root causes of many social problems, including domestic violence, child abuse and neglect, and various forms of emotional problems and mental illness such as depression and suicidal tendency. An increasing number of working parents and single parents also means an increasing demand for family support and child care services.

2.13 The rapid development and changes of our society, coupled with the fast pace of life, have created considerable demands and stress on many people and inevitably affected their mental health. Depression and anxiety disorder are not uncommon in Hong Kong. According to the Population Health Survey (PHS) 2003/04 conducted by the Department of Health in collaboration with the Department of Community Medicine of the University of Hong Kong, about 1.5% and 2.0% of the respondents aged 15 and above reported being told by a doctor that they suffered from depression and anxiety disorder respectively. The PHS further indicated that 3.6% of the respondents aged 15 and above had seriously considered suicide and about 1.4% had made an attempt in the preceding 12 months. For all mental and behavioural disorders, enhanced community recognition and early intervention are important to reduce the burden of the diseases.

2.14 Young people are the future pillars of Hong Kong. They are also indicators of the changing values of our society. The Hong Kong Special Administrative Region Government and the community as a whole attach great importance to nurturing them and developing them into our “capital”. Over the years, a wide range of education and training programmes and opportunities have been provided to our young population to develop their potentials and address their various needs. Nonetheless, youth unemployment rate remains higher than the overall unemployment rate even though this is a common phenomenon in other developed economies. Meanwhile, other youth problems such as drug abuse, compensated dating and hidden youth have emerged. To cope with the physical and psychological changes of children and youth at different developmental stages and help at-risk youths return to the right track, our youth welfare services will need to be constantly reviewed and evolve in order to cater to the changing needs, including psychological

and other non-material needs, of our young people. More emphasis should be placed on the provision of services and measures which are developmental and preventive in nature.

2.15 Economic and social development has also led to closer interaction between Hong Kong and the Mainland. The number of cross-boundary marriages has been increasing. In 2003, there were 17 700 and 2 400 Hong Kong men and women respectively marrying Mainland residents, but the numbers had increased to 19 000 and 3 900 in 2008. More Mainland women (with spouses who are either Hong Kong permanent residents or non-Hong Kong permanent residents) are giving births in Hong Kong. There is also a steady influx of new arrivals from the Mainland to Hong Kong through One-Way Permits. Besides, the Quality Migrant Admission Scheme was launched in 2006 to attract highly skilled or talented persons to settle in Hong Kong in order to enhance Hong Kong's economic competitiveness in the global market. As at the end of 2009, a total of 1 333 applications have been approved under the Scheme. The increasing cross-boundary activities have led to more diverse and unpredictable service demands and posed new challenges to the provision of conventional welfare services.

### **Globalisation and technological advancement**

2.16 Globalisation and technological advancement have brought about substantial changes to our means of communication and impacted on the relationships among people, family members and friends. The advent of information and communication technologies (ICT) has largely removed the barriers of geography and time zones, bridged communication gaps and brought people in different parts of the world closer together. The use of telecommunications and internet services has become part of our daily life. According to the Office of the Telecommunications Authority, the estimated number of registered broadband<sup>6</sup> internet access customer account was around 2 million in Hong Kong by November 2009, representing a nearly 60% increase in six years' time as compared to 1.2 million in 2003. While enabling instant

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<sup>6</sup> Broadband means the capacity to transmit data at the rate of 1.5Mbps or above using family of Digital Subscriber Line (DSL), Local Multipoint Distribution Services (LMDS), Fibre-to-the-Building (FTTB), cable modem or other technologies.

communication, the internet has at the same time created a virtual world in which many people become indulged and there is a free flow and exchange of information, be it true or false. Social problems such as hidden youths, deterioration of communication language and social skills and breakdown of family relationships have also emerged.

2.17 The advancement of ICT has called for reviews and reforms of the planning and delivery of welfare services as the traditional ways of service delivery may not be adequate in meeting the changing needs of our society. The welfare sector has been searching for and devising new and innovative ways to provide quality services to people in need in a timely and effective manner having regard to the latest ICT development.

### **Sustainability of our welfare system**

2.18 The Government is currently a major contributor to welfare financing. In terms of Government expenditure, welfare spending is the second largest amongst all policy areas. The recurrent expenditure on welfare programmes has increased by 50% from \$26 billion in 1999-2000 to \$39 billion in 2009-10. In 2010-11, over 17% of the Government's recurrent expenditure is allocated to social welfare, 71% of which is devoted to the Comprehensive Social Security Assistance (CSSA) and Social Security Allowance (SSA) Schemes, leaving about 29% of the resources for direct services. Separately, there are other public funds that also help to finance social welfare services. One of them is the Lotteries Fund<sup>7</sup> which is primarily used to finance the capital expenditure of welfare projects and provide one-off grants to experimental projects with limited duration. In 2008-09, 424 allocations amounting to \$809 million were made from the Lotteries Fund to welfare NGOs for capital works items, renovation, furniture, equipment and experimental/pilot projects.

2.19 According to the statistics released by C&SD, the percentage of Hong Kong people who are aged 65 and above accounted for about 13% of the total population by the end of 2009 and is projected to reach about

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<sup>7</sup> The Lotteries Fund was established in June 1965 by Resolution of the Legislative Council for the purpose of financing social welfare services. The major source of income of the Fund is the Mark Six Lottery with 15% of its gross proceeds going to the Fund. Other regular sources of income include investment income and auctions of vehicle registration numbers.

26% in 2036. A growing elderly population will result in an increase in demand for relevant services and financial assistance. At present, more than half of the CSSA cases are old age cases. Direct service for the elderly is the second largest area of welfare spending, and supporting facilities such as subsidised care homes are very much in demand. For instance, the Government is currently providing about 26 000 subsidised places in residential care homes for the elderly (RCHEs), serving about 44% of all elders staying in RCHEs throughout the territory. Compared with about 16 000 subsidised places in 1997, this represents an increase of 60%. According to the latest consultancy study initiated by the Elderly Commission, Hong Kong records a higher institutionalisation rate (nearly 7% of elders aged 65 or above) when compared with those of other countries, which lie roughly in the range of 1% to 5%. The ratio of residential care beds to elderly population of Hong Kong is also relatively high among other countries. With a rapidly ageing population, growing life expectancy and low-tax environment in Hong Kong, the current financing model will not be sustainable in the long run.

2.20 More than half of the CSSA cases are old age cases. In addition, there is a rising trend in general in the number of CSSA cases, as well as the duration of stay on CSSA as compared to ten years ago.

2.21 In this regard, it is observed that many of the prevailing welfare services offered are remedial in nature and substantial resources are spent on providing immediate assistance and support to those facing imminent needs and hardship. There is a need to ensure that resources are also allocated to the provision of preventive and developmental services, so as to build up the capacity of our people and enhance the resilience of our society against adversities. Over time, the “empowered” individuals can also lend support to those in need and help them become self-reliant.

2.22 There have been concerns about the sustainability of our social welfare system in the long term if it continues to run in its present form, given that we have been adopting a low and simple tax system for the purpose of maintaining our competitiveness. Resources from tax income are limited and one cannot expect the public coffer alone to provide all the welfare services that are needed.

2.23 NGOs, whether subvented or non-subvented, have an important role to play as they complement the work of the Government in the provision of welfare services. Efforts have been made by many NGOs to solicit donations and funding support from the community, business sector and non-government funds, such as the Community Chest, Jockey Club and private funds, to launch and run certain innovative and creative welfare programmes. According to the Inland Revenue Department, charitable donations from individuals and business enterprises in Hong Kong to NGOs<sup>8</sup> had substantially increased over the years from \$1,661 million and \$803 million respectively in 1997-98 to \$4,520 million and \$2,510 million respectively in 2007-08. With their own sources of funding, non-subvented NGOs actively support and contribute much to the welfare development of Hong Kong in a self-sustaining mode. Their experience and success also provide us with useful insights on the issue of sustainability of our welfare system in the long run.

### **Engagement in the provision of welfare services**

2.24 The concept of tripartite partnerships among the Government, the welfare and business sectors has been actively promoted in recent years. The business sector is increasingly involved in the provision of welfare services. Companies are more ready to take on corporate social responsibility. There are many ways for companies to engage the welfare sector. Apart from donations to charitable activities, there can also be transfer of knowledge, provision of mentorships and promotion of volunteerism among the company staff, etc. More and more companies have set up their own private funds to finance projects initiated by NGOs. Through strengthening the networks among different stakeholders in the community, concepts such as community participation, mutual assistance and support, as well as social inclusion are widely promoted.

2.25 The concept of volunteerism is also crucial to supporting the welfare system in Hong Kong. Volunteering brings opportunities for different sectors and age groups to collaborate and help people in need. For instance, retired persons are valuable assets to our society and form a

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<sup>8</sup> The “NGOs” here refer to those non-profit making organisations that have successfully obtained tax exemption status under section 88 of the Inland Revenue Ordinance (Cap. 112). At present, there are more than 6 000 tax-exempted organisations in Hong Kong, but only some of them are providing welfare-related services.



good pool of volunteers. The existing mechanism for the promotion of volunteerism, recruitment and training of volunteers should be enhanced to better utilise social resources that are already available.

### **Focus of the study**

2.26 The environmental scan not only provides us with an overview of the major issues and factors affecting the provision of welfare services in Hong Kong; it also clearly reflects that social welfare forms an integral part of our overall social policy which straddles a number of other policy areas under the purview of different Government bureaux and departments. As we take forward the study, we shall focus our discussion and deliberations on the theme of long-term development planning for social welfare in Hong Kong as tasked by the CE. We fully understand that our welfare system comprises services for different target groups and, to this end, various service-specific studies have already been launched to review and examine the needs of individual service areas. To avoid duplication of efforts and resources, the ultimate objective of the current study is therefore to identify and propose, at the macro level, a series of strategies that are applicable to our long-term welfare planning in a holistic and general way.

## Chapter 3 Mission and Values of Social Welfare

3.1 It is the Government's **mission to invest for a caring society**. This basically sums up the Government's welfare policy agenda<sup>9</sup>. Different people may hold different views as to how this can be achieved, but SWAC believes that there are certain **values** fundamental to our society which underpin this mission and based on which our social policies, in particular welfare policies, are developed -

- (a) that all members of our society, irrespective of their age, gender, abilities or disabilities, race and religion, should have the opportunity to develop their potential and make contributions;
- (b) that the family should provide a supporting and a caring environment for nurturing individuals, so that they will become responsible and contributing members of our society;
- (c) that mutual care and assistance should be promoted among individuals and families to build a network of social support; and
- (d) that a safety net should be available to those in need and help them achieve self-reliance.

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<sup>9</sup> See Chapter 3 of the 2009-10 Policy Agenda.

## Chapter 4 Guiding Principles for Social Welfare Planning

4.1 Fundamental values do not change easily, but welfare system does evolve, as it is necessary to respond to ever-changing social needs. The objective of welfare planning in the 21<sup>st</sup> century should be to look for a system that can effectively address current issues, prepare us for foreseeable challenges and remain sustainable in the longer term.

4.2 Having regard to the social mission that Hong Kong seeks to achieve, the values that we wish to uphold, and the social and economic realities that we need to face, it appears that welfare planning in Hong Kong would benefit from the following guiding principles –

- (a) **Inclusive and people-centred approach:** Our society comprises people of different gender, age and race etc. whose welfare needs are not identical. We have maintained and should continue to uphold the general principle of ensuring equal access to welfare services by all eligible persons irrespective of their background. To this end, the welfare sector has attached much importance to adopting a people-centred approach in their service planning and delivery to meet the needs of different users and facilitate the users' access to services, so as to promote an inclusive society. These guiding principles should continue to be adopted for our long-term welfare planning.
- (b) **Users' participation:** As a client-based approach to welfare services becomes the norm, service users are playing a more important and active role in service planning and provision. Not only is their feedback crucial for service improvement, their active engagement is often an outcome measure in itself, especially when the service aims at promoting social and economic participation. Users' participation should therefore be encouraged and form an integral part of our welfare planning mechanism.

- (c) **Shared responsibility:** When service users are active participants rather than passive recipients, one would expect them to contribute to the success of the service. The contribution could be in the form of cooperating with the service providers to achieve the desired outcome, and/or sharing the cost of service provision. The **user pays principle** is important in that it recognises social welfare as a shared responsibility. We are aware of the development of tripartite partnership among the Government, business and welfare sectors. We believe that the partnership can also be extended to individual service users, as they make contribution to welfare development in different ways. We foresee that this concept of shared responsibility will have a greater bearing on welfare planning in future.
- (d) **Sustainability:** Welfare planning is by definition a forward looking exercise. It seeks not only to tackle immediate problems, but also to anticipate future ones. Developing a sustainable and affordable social welfare system is hence imperative, especially when there are trends that we can already foresee, such as an ageing population. Social welfare planning should be able to stand the test of time.
- (e) **Prevention is better than cure:** We need to plan for the inevitable, but we should also plan to prevent the avoidable. In the case of welfare services, it is often more beneficial to society and more effective to tackle problems at their root and nip them in the bud, through early identification and timely intervention. There is currently a wide range of preventive and developmental services, and this should continue to play an important role in welfare planning in the long term.
- (f) **Flexibility:** As mentioned in Chapter 1, the discontinued FYP was considered rather rigid and lacked the flexibility to cope with the changing needs of our society. It is important for our welfare services to be able to respond to the community's service demands and crisis in a more flexible and timely manner.

NGOs should also be allowed to flexibly deploy their manpower and financial resources to develop and provide diverse and multifarious services in response to social changes. Flexibility should therefore form a key feature of our welfare planning.

## **Chapter 5 Strategic Directions for Planning and Provision of Welfare Services**

5.1 The guiding principles set out in Chapter 4 provide useful pointers and directions for us to consider and deliberate on strategies that may be deployed to address welfare-related issues at the macro level. The proposed strategic directions are expected to be applicable to our long-term welfare planning in a holistic and general way, rather than focusing on individual service areas. Some of the proposals are not totally new to us but could be further enhanced to make a greater impact. Many of them are also closely related to each other and should not be pursued in isolation but in co-ordination. The current list is not exhaustive and is drawn up to stimulate more thoughts and discussion with a view to formulating the strategic directions for the long-term planning and provision of our welfare services. SWAC's suggestions are set out in the ensuing paragraphs.

### **Proposed strategic directions**

#### **(a) Social investment**

5.2 Social investment means investing in strategies that focus on building the capacity of individuals, families and communities to help each other, thus increasing access to shared resources, creating opportunities and building up pathways, such as increased participation in society and work. Instead of mainly providing welfare services that are largely remedial in nature, a pro-active and preventive approach with emphasis on enhancing the capacity of individuals, families and communities to cope with stresses and building their resilience against adversities is crucial to the sustainable development of our welfare system.

5.3 Building individual capacity aims to develop individuals to think positively, take responsibility and capitalise on opportunities so that one may break away from constraints of vulnerability to gain greater self-reliance. Families provide the critical links between individuals and

the wider community. Preserving and strengthening the family as a unit and supporting it in its nurturing role are therefore vital. Different support networks outside the family are also important for nurturing individuals because they provide access to knowledge on services and opportunities available in the society and timely assistance. Neighbourhood support is an important example. Through encouraging the formation of support networks, social investment can help mobilise social resources in the community to prevent problems from occurring, or tackle them at an early stage.

5.4 As part of our developmental and preventive measures, social investment helps foster social cohesion and a sense of belonging within the community. The Government has launched various initiatives to promote the concept of social investment in recent years. For instance, the Community Investment and Inclusion Fund (CIIF) was established in 2002 to provide seed money to support collaborative projects between community organisations and the private sector to create social capital by fostering mutual support and assistance among people, promoting community participation and cross-sectoral collaboration. Apart from the CIIF, the Government also set up the \$200 million Partnership Fund for the Disadvantaged in 2005 to promote the development of a tripartite partnership among the Government, business community and welfare sector to help the disadvantaged. Similarly, the \$300 million Child Development Fund was established to draw on and consolidate the resources from the family, private sector, community and Government effectively in support of the longer-term development of children from a disadvantaged background. Moreover, the Government and the Elderly Commission jointly launched the Pilot Neighbourhood Active Ageing Project in early 2008 to promote the concept of active ageing and enhance neighbourhood support with a view to creating a harmonious society. The satisfactory progress and achievements of the various schemes attest to the value of social capital and investment which should continue to be promoted to build a healthy and harmonious community.

## **(b) Multi-partite partnership and collaboration**

5.5 We have long been promoting tripartite partnerships that emphasise collaboration among the Government, NGOs and the business sector. The rationale behind such partnership approach is the recognition that no one party alone can effectively resolve all our social problems, and to promote our social well-being. The ownership of the problems and solutions must be shared, and the shared solutions must be more effective than individual solutions to preventing or remedying many social problems. As a matter of fact, various forms of partnership (such as among NGOs, between NGOs and businesses, public-private partnerships and tripartite partnerships) have proved to be effective in taking forward innovative models of solving local problems.

5.6 With the rapid development of our welfare system, the roles of and expectations for each sector have also evolved. While NGOs and the service users are often perceived as the main beneficiaries of corporate giving and corporate volunteering, the benefits of business involvement are actually mutual in many cases, with corporate team spirit being boosted and corporate image being enhanced. We believe that the partnership approach will continue to develop and contribute towards the cause for the common good.

5.7 Experience shows that apart from the commonly known three sectors, other stakeholders including service users, volunteers and collaborators from education, medical and professional fields also play an important role in the provision of welfare services. Their advice and participation are conducive to the long-term development of our welfare system. Above all, volunteers are essential to NGOs as they can help relieve the stringent manpower. They may also contribute to the enhancement of NGOs' management and development through knowledge and experience sharing. In this regard, continuous efforts should be made to encourage and promote multi-partite partnership and collaboration, and to encourage the business sector to promote volunteerism among their staff for the building of a healthy and sustainable welfare system. There should also be some matching to ensure that the knowledge and skill sets of the volunteers are able to meet the needs of individual NGOs.



### **(c) Development and promotion of social enterprise**

5.8 Social enterprise is a business to achieve specific social objectives, such as selling products or providing services to those in need, creating employment and training opportunities for the socially disadvantaged, protecting the environment or funding its other social services through the profits earned. Profits generated will be principally reinvested in the business for the social objectives that it pursues, rather than distribution to its shareholders. The prevalence of social enterprises provides a different way for entrepreneurs with social visions/objectives to do business.

5.9 Over the years, social enterprise has been developed into one of the core strategies of the Government to help the disadvantaged achieve self-reliance. Social enterprises have played an increasingly important role in serving the community, including the provision of welfare services, and promoting a caring culture. They may also help provide innovative solutions to tackle social problems. Apart from the various ongoing efforts to promote and support the development of social enterprise, a Social Enterprise Advisory Committee has been set up according to the 2009-10 Policy Address announced by the Chief Executive and has convened its first meeting in January 2010 to advise the Government on the development of social enterprises. We expect social enterprises to continue to actively participate in and contribute to the welfare development in Hong Kong.

### **(d) Capacity and network building**

5.10 Empowering and enabling NGOs to grow and achieve their social missions are crucial to our welfare development. We should therefore attach more importance to building the capacity of individual NGOs to enable them to perform effectively, including enhancement of in-service training, and encouraging network building between NGOs and other sectors, as well as among NGOs themselves. Training on building the capacity of NGOs in fund-raising and resource-building should also be encouraged.

5.11 Human resources are valuable assets to our society. The availability of a sufficient pool of professional and well-trained workers is instrumental in developing and sustaining a healthy welfare system. In this regard, consideration should be given to pursue professional development for the sector so as to help social workers to better equip themselves to assist the needy to deal with their problems.

5.12 Indeed, in-service training is not only necessary for social workers, but also for other staff in the welfare sector, the NGO management and board members. It helps them upgrade their skills and knowledge, so that they may perform their respective roles more effectively. Enhancing their capacity means enhancing welfare services. There is also a growing emphasis on good corporate governance of NGOs. To this end, the Government has set up a \$1 billion Social Welfare Development Fund (SWDF) to support training, capacity enhancement initiatives and service delivery enhancement studies launched by subvented NGOs. Apart from making good use of the SWDF, welfare NGOs are also encouraged to accord a higher priority to staff training and capacity building so as to better equip themselves and their staff for new challenges. Streamlining and other enhancement measures should also be considered and introduced as appropriate to increase efficiency and productivity.

5.13 As mentioned in Paragraph 5.5 above, we encourage multi-partite partnership and collaboration among the Government, business, NGOs and other stakeholders. Building networks among these parties is the first step to developing such partnership and collaboration. Apart from working closely with other sectors, it is also important for NGOs in the welfare sector to strengthen co-operation and sharing, in terms of efforts and expertise, among themselves. Experience sharing, information exchange and project co-operation can bring mutual benefits to the concerned NGOs with each contributing its own strengths and help avoid duplication of efforts and resources in service provision.

### **(e) Innovation to drive service delivery**

5.14 As revealed by the environmental scan in Chapter 2, with the rapid development of information and communication technologies, the traditional ways of providing welfare services may not be adequate in meeting the changing needs of our society. While making continuous efforts to enhance and improve our existing service delivery modes, we should also explore and try out novel and innovative means to provide welfare services to keep pace with the latest social, economic and technological developments.

5.15 Taking the advancement of technology as an example, while the drastic upsurge of the use of internet and mobile device has greatly facilitated communication, it has also led to social problems and the impact on our society is evident. Apart from providing traditional centre-based and hotline services to help this population group, new forms of services delivered through chat-rooms, blogs and emails etc. may also need to be developed to respond to their service needs in a more timely and effective manner.

### **(f) Family and district-based approach**

5.16 Family is a fundamental social institution that provides essential nurture and support for individuals. It also forms the basic unit of our society. As pointed out by the Chief Executive in his 2009-10 Policy Address, many social problems, including juvenile drug abuse, prostitution and the neglect of elderly people and children, can be traced back to the family. Better family relationships mean fewer social problems. The Chief Executive has asked the Family Council to focus on these problems and find new policy options to alleviate them at the family level. In mapping out the welfare policy and planning our services, we should also bear in mind the family perspective and strive to preserve and strengthen the roles of the family.

5.17 At the community level, each district has its own unique characteristics and service needs. For instance, most of the newly developed towns with a relatively larger group of young population are located in New Territories, while many elderly people are residing in

older districts such as Kwun Tong and Shum Shui Po. A district-based approach taking into account the distinct features and diversity of the various districts would help ensure the planning and provision of welfare services that cater for the needs of individual districts.

### **(g) Research-based planning and assessment**

5.18 Welfare NGOs have contributed much in assisting and supporting the vulnerable and disadvantaged. We often hear about success stories of how an individual welfare recipient has benefited from a welfare project and become self-reliant or even can help others in need. However, for the sustainable development of our welfare system, there is a need to go beyond individual examples and case studies to build a strong and coherent evidence base so as to understand the crux of our social problems and come up with the best solutions.

5.19 Causations of social problems vary, but many of them are rather complicated and interlinked with each other. To more effectively tackle social problems and provide suitable assistance to the target groups, it is important for welfare service providers to obtain more knowledge and a better understanding of the causes and background of the relevant problems. Professional and quality data studies and analysis may be required on some occasions to facilitate the formulation of new proposals and evaluation of existing services. Relevant stakeholders are strongly encouraged to adopt an evidence-based approach in reviewing our welfare services/programmes and studying new service demands. Need assessments, evaluations and research studies (including longitudinal studies) may be considered and carried out as appropriate to grasp the necessary data and information for service planning.

5.20 As part of the research-based planning, we note the recent trend of the Government and NGOs launching new welfare services/projects on a pilot basis which enables the service providers to consolidate their experience, gather feedback from the service users and test the effectiveness of the new projects. Evaluations conducted after the trial run are important to prove the worth of the projects and for consideration of the way forward. We see the merits of pilot projects and support that the arrangement could continue to be adopted as appropriate.

### **Planning process for provision of welfare services**

5.21 Strategic directions aside, it is also important for us to put in place a flexible planning process that enables the Government and the welfare sector to collaborate and respond to the changing service demands of our community promptly and effectively. We propose to adopt the following principles in mapping out the planning process –

- (a) the process should dovetail with the existing policy planning and resource allocation mechanisms of the Government;
- (b) it should be an on-going, flexible and dynamic process;
- (c) relevant stakeholders in society should be involved and engaged interactively during the process; and
- (d) views and comments made by stakeholders could be directed to the Government for consideration through informed channels in the process.

## **Chapter 6 Invitation of Comments**

6.1 Chapters 2 to 5 have set out the key issues affecting the provision of welfare services, the mission and values of social welfare, as well as the guiding principles and strategic directions proposed to be adopted for our long-term social welfare planning. To facilitate further consideration and deliberation, we have summarised and listed below a number of relevant questions for comments -

1. Do you agree with the observations on the major issues and factors identified as affecting the provision of welfare services in the environmental scan in Chapter 2?
2. Do you share the concerns about the sustainability of our social welfare system in the long term if it continues to run in its present form?
3. Do you agree that additional emphasis should be put on preventive and developmental services in welfare planning in the long term?
4. Do you concur with the missions and values of social welfare set out in Chapter 3?
5. Do you agree with the various guiding principles for social welfare planning set out in Chapter 4?
6. Do you support the strategic directions for planning and provision of welfare services proposed in Chapter 5?
7. Do you think that social investment and community building are essential elements for the development of future welfare services?
8. Do you agree that multi-partite partnership and collaboration are important to a healthy and sustainable welfare system?

9. Do you agree that social enterprises should continue to be developed to help the disadvantaged achieve self-reliance?
10. Do you think that capacity and network building of the individual workers in the welfare sector and NGOs are crucial for long-term welfare development?
11. Do you agree that innovation in service delivery is important to meet the changing needs of our society?
12. Do you think that research-based planning and assessment should be adopted by the welfare sector?
13. Do you agree that tackling issues at family and district levels should be more effective?
14. Do you agree with the principles proposed to be adopted for the welfare planning process as set out in Chapter 5?
15. Apart from the issues and strategies set out in the paper, do you have any other comments and observations?

6.2 Please send us your views by mail, facsimile or email on or before **31 July 2010 (Saturday)** –

Address: Social Welfare Advisory Committee Secretariat  
Room 805, 8/F, West Wing  
Central Government Offices  
11 Ice House Street  
Central  
Hong Kong  
Fax number: 2524 7635 or 2110 0657  
E-mail address: [welfareplanning@swac.org.hk](mailto:welfareplanning@swac.org.hk)

6.3 It is voluntary for any member of the public to supply his/her personal data upon providing views on the consultation document. Any personal data provided with a submission will only be used for the purpose of this consultation exercise.

6.4 The submissions and personal data collected may be transferred

to the relevant Government bureaux and departments for purposes directly related to this consultation exercise. The Government bureaux and departments receiving the data are bound by such purposes in their subsequent use of such data.

6.5 The names and views of individuals and organisations which put forth submissions in response to this consultation document (senders) may be published for public viewing after conclusion of the consultation exercise. This Committee may, either in discussion with others, whether privately or publicly, or in any subsequent report, attribute comments submitted in response to this consultation document. We will respect the wish of senders to remain anonymous and/or keep the views confidential in relation to all or part of a submission; but if no such wish is expressly indicated, it will be assumed that the sender can be named and the submission can be published. Any sender providing personal data to this Committee in the submission will have the rights of access and correction with respect to such personal data. Please let us know in writing for any requests for data access or correction of personal data.