

LCQ17: Strengthening measures to improve people's livelihoods

Following is a question by Dr the Hon Tik Chi-yuen and a written reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (April 24):

Question:

The Government has repeatedly indicated that the Safeguarding National Security Ordinance will render Hong Kong's business environment more stable, which is conducive to economic development, and that the Government will make every effort to improve people's livelihoods upon completion of the legislative exercise for the Ordinance. In this connection, will the Government inform this Council:

(1) whether it has estimated the growth in Gross Domestic Product and the number of employment places in the coming three years;

(2) as it is learnt that carers are currently facing heavy life stresses and the existing support cannot really help them resolve their difficulties, how the Labour and Welfare Bureau will strengthen the support provided to carers through economic improvement; and

(3) as it is learnt that there has been no significant improvement in the problem of disparity between the rich and the poor in Hong Kong, how the authorities will introduce more targeted poverty alleviation measures through economic improvement?

Reply:

President,

Following the Safeguarding National Security Ordinance officially taking effect on March 23, Hong Kong has put up a shield and strengthened the defensive wall of its national security under the transition from chaos to order, allowing its efforts to be focused on pursuing economic growth, advancing development, improving people's livelihoods and bringing fulfilment to the people.

In consultation with the Office of the Government Economist, the reply to the three parts of the question raised by the Member is as follows:

(1) In February this year, the Government of the Hong Kong Special Administrative Region forecast that the Gross Domestic Product would grow by 2.5 per cent to 3.5 per cent in real terms in 2024. For the period from 2025 to 2028, the forecast trend growth rate is 3.2 per cent per annum. The sustained economic growth will support local labour demand and create more

jobs.

(2) On providing financial support to carers, the Government has since October 2023 regularised the following four financial assistance schemes under the Community Care Fund:

(i) the Scheme on Living Allowance for Carers of Elderly Persons from Low-income Families;

(ii) the Scheme on Living Allowance for Low-income Carers of Persons with Disabilities;

(iii) the Special Care Subsidy Scheme for Persons with Severe Disabilities (Special Care Subsidy); and

(iv) the Scheme on Providing Subsidy for Higher Disability Allowance Recipients in Paid Employment to Hire Carers (Scheme to Hire Carers).

The monthly allowance of the two Subsidy Schemes for low-income carers has been increased from \$2,400 to \$3,000; the monthly full grant of the Special Care Subsidy has been increased from \$2,000 to \$2,500; and the monthly allowance of the Scheme to Hire Carers is \$5,000. The above financial support involved an annual funding of about \$527.5 million. The eligibility criteria for the carer allowances, which mainly subsidise low-income carers, are already more lenient than those of the Comprehensive Social Security Assistance Scheme, which provides assistance to those in financial need. To ensure the proper use of public money, the Government will review in due course the implementation of various financial assistance schemes/subsidies upon regularisation, and make adjustments as and when necessary.

(3) The Government has devoted sustained efforts to improving social welfare and introducing new measures on social security, elderly services, rehabilitation services, child care, family support, youth support, etc. Among others, the Government has been allocating more and more resources in the form of cash assistance on initiatives for improving people's livelihood, alleviating poverty and supporting the disadvantaged. Taking social welfare expenditure as an example, the estimated recurrent expenditure in 2024-25 has added up to \$127.4 billion, accounting for 22.0 per cent of the estimated total recurrent government expenditure. This represents an increase of over 50 per cent (56.2 per cent) within five years when compared with \$81.5 billion in 2019-20.

With a rapidly ageing population in recent years, the overall workforce has started to shrink, thereby hampering the momentum of economic growth. There are views in society that the underprivileged face more difficulties than just low income, and that the Government's cash assistance alone may neither address their needs fully nor solve the poverty problem in the long run. Instead of relying on "giving out cash" solely, the Government should implement targeted poverty alleviation by teaching people how to stay out of poverty (empowering those who are able to help themselves) and providing assistance to needy and special groups (supporting those who are unable to

help themselves).

The current-term Government has adopted a strategy of targeted poverty alleviation by directing resources to those most in need. The Commission on Poverty (CoP) supports the Government's targeted poverty alleviation strategy. Based on the Government's statistics and by making multidimensional analyses of household characteristics, employment and income situation, coverage of government cash benefits, living environment, rental burden, burden of supporting dependants, etc, the CoP has identified three groups for targeted poverty alleviation, namely households residing in subdivided units (SDUs), single-parent households and households with elderly members only (including singleton, doubleton and three-person-and-above elderly households). The CoP also agrees that a two-pronged approach should be adopted to address the specific needs of different target groups. In other words, the Government should on the one hand empower those who are able to help themselves (such as SDU households and single-parent households) to achieve self-reliance and improve their lives, thus releasing the potential labour force of society, and on the other hand continue to plug existing service gaps to support those who are unable to help themselves (such as households with elderly members only). The Government has implemented various targeted poverty alleviation projects catering to the needs of the target groups. These projects include:

- (i) Implementing the Strive and Rise Programme – Through tripartite collaboration of the Government, the business sector and the community, focused support is given to secondary students from underprivileged families, particularly those living in SDUs;
- (ii) Launching the Pilot Programme on Community Living Room – Through tripartite collaboration of the Government, the business sector and the community, the Pilot Programme provides SDU households with additional living space and help them establish interpersonal networks, thereby enhancing their living standard and sense of belonging to the community;
- (iii) Rolling out the School-based After School Care Service Scheme – Primary students in need (especially those from single-parent families) can stay at school outside school hours for care and learning support, thereby enabling their parents to go to work; and
- (iv) Engaging District Services and Community Care Teams with Tsuen Wan and Southern Districts as pilot points – Elderly households in need can be identified through visits or contacts, and referred to relevant social welfare service units for follow-up.

The Government will review the experience accumulated in each of the targeted poverty alleviation projects and examine their effectiveness to decide the way forward, with a view to carrying on related work in an in-depth and systematic manner.