

2012-13 Budget
Labour and Welfare

Social Welfare Expenditure

- The recurrent expenditure on social welfare in 2012-13 amounts to \$44 billion (estimate).
- Increase by \$3.6 billion or 9% over \$40.4 billion (revised estimate) last year (2011-12).
- Up \$10 billion or 29% over \$34 billion (actual) in 2007-08.

Elderly Care Services

- Apart from the expenditure on social security, elderly care services has all along shared the largest part in the social welfare expenditure
- The recurrent expenditure on elderly care services in 2012-13 amounts to \$5 billion, representing about 11% of the total recurrent social welfare expenditure
- The government recurrent expenditure for elders on social security, elderly care services and health care services amounts to \$43.5 billion, representing 16.5% of the total recurrent government expenditure. It shows an increase of 37% over the expenditure of \$31.8 billion in 2007-08.

Elderly Care Services

- “Ageing in place” is the wish of most elders. It is also our policy objective. To this end, we will plan for a pilot scheme on community care service (CCS) voucher for the elderly and strive to increase the provision of CCS places
- At the same time, the Government will continue to allocate additional resources to increase the provision of subsidised residential care places and improve their quality, so as to take care of elders who have to stay in residential care homes for the elderly (RCHEs)
- We will also allocate additional resources to enhance the support for demented elders



Pilot Scheme on CCS Voucher

- To launch a 4-year pilot scheme on CCS voucher for the elderly in two phases starting from 2013-14
- To test the funding mode of “money follows the person”
- To provide subsidy directly to eligible elders for them to choose the service they need
- To encourage different types of service providers to join the market, thereby promoting the further development of CCS

Pilot Scheme on CCS Voucher

- 1st phase: for elders with impairment at moderate level
- Propose to have a single-value CCS voucher; the service value will be \$5,000 per month per participant
- May consider introducing more complex features in the 2nd phase to cater for the different care needs of elders

Community Care Services

- The Government has allocated additional funding for about 2 000 CCS places for the elderly (including 1 500 home care places and 500 day care places) from 2007-08 to 2011-12
- To increase funding of about \$36m in 2012-13 to provide an additional 685 CCS places (including 500 home care and 185 day care places)

Improving the Facilities of Elderly Centres

- To allocate about \$900m under the Lotteries Fund in 2012-13 to improve the physical setting and facilities of up to 250 district elderly community centres, neighbourhood elderly centres and social centres



Subsidised Residential Care Places

- The Government now provides about 26 000 subsidised residential care places. They can serve 43% of elders residing in RCHEs
- Continue to increase the provision of residential care places: from 2011-12 to 2014-15, over 2 600 new residential care places (about 1 250 nursing home places/about 1 400 care & attention places) will commence operation (including the new provision funded in 2012-13)
- Also propose to allocate about \$15m to upgrade over 600 EA2 places to EA1 level under the Enhanced Bought Place Scheme (EBPS)

Continued Increase in subsidised residential care places

- From 2011-12 to 2014-15, 8 new contract RCHEs will commence operation. Have also earmarked sites in another 9 development projects for the construction of new contract RCHEs.



Enhancing the Support for Demented Elders

- Recurrent funding for providing Dementia Supplement (DS) to subvented RCHEs, private RCHEs under EBPS and day care centres/units for the elderly (DEs/DCUs) will be increased by \$137m
- In 2012-13, in respect of each demented elder, the DS will be about \$40,000 for RCHEs and about \$24,000 for DE/DCUs. Will benefit about 5 000 elders
- The service units may use DS to engage additional staff (including occupational therapist, nurse, social worker, etc.) or purchase related professional service

Rehabilitation Services

- The Government has been allocating additional resources to strengthen the rehabilitation services in recent years. The overall recurrent expenditure has increased from \$16.6 billion in 2007-08 to \$ 21.7 billion in 2011-12, representing an increase of 31%. In 2012-13, the relevant recurrent expenditure will further increase to \$23.2 billion.



Rehabilitation Services

- Taking into account the expenditure of the Labour and Welfare Bureau, the Social Welfare Department (excluding related expenditure under the Comprehensive Social Security Assistance Scheme and Social Security Allowance Scheme), the Labour Department and the Transport Department (Rehabus service) alone, the overall recurrent expenditure for rehabilitation services has already increased from \$2.8 billion in 2007-08 to \$3.8 billion in 2011-12, representing an increase of 36%. In 2012-13, the relevant recurrent expenditure will further increase to \$4 billion.

Rehabilitation Services

Residential Care Services for Persons with Disabilities

- To continue to enhance the residential care services for persons with disabilities by adopting a three-pronged approach in accordance with the 2007 Hong Kong Rehabilitation Programme Plan -
 - regulating the residential care homes for persons with disabilities.
 - supporting non-governmental organisations to develop self-financing homes.
 - continuing to steadily increase the number of subsidised residential care home places.

Rehabilitation Services

Residential Care Services for Persons with Disabilities

- At present, there are 11 682 residential care home places, representing an increase of 83% over the number of places in 1997.
- In the coming year (2012-13), we will continue to allocate resources to provide 200 additional places, and will continue to earmark sites at future development projects for the construction of new residential care homes for persons with disabilities.
- It is estimated that over 900 additional places will be provided in 2012-13 to 2016-17.

Rehabilitation Services

- To increase recurrent expenditure in 2012-13:
 - +\$10 million to regularise the Transitional Care and Support Centre for Tetraplegic Patients
 - + \$9.91 million to enhance Rehabus service
 - +\$9.4 million to encourage employers to employ persons with disabilities
 - +\$37.2 million to increase the number of rehabilitation service places
- Inject \$100 million to the “Enhancing Employment of People with Disabilities through Small Enterprise Project” to create job opportunities for persons with disabilities

Rehabilitation Services

Barrier-free Environment

- With a view to building a barrier-free environment, the Government has taken forward a comprehensive retrofitting programme costing \$1.3 billion to upgrade the barrier-free facilities in about 3 700 existing Government premises and facilities and about 300 properties under the Housing Authority.
- Among them, around 90% of the premises and facilities will have retrofitting works completed by June 2012 or before.

Mental Health Services

- The total expenditure spent on the provision of mental health community rehabilitation services by Social Welfare Department (including the residential care services, community support services, day training and vocational rehabilitation services for ex-mentally ill persons) has increased from \$720 million in 2007-08 to \$1 billion in 2011-12, representing an increase of 39%.

Mental Health Services

- In 2010, we consolidated the existing resources of \$65 million, together with an additional provision of \$70 million, to revamp the existing mental health community support services and rolled out the district-based and one-stop service delivery mode of the Integrated Community Centres for Mental Wellness (ICCMWs) across the territory.
- In 2011-12 and 2012-13, we will continue to allocate additional provision of \$39.37 million and \$8.54 million respectively to enhance the manpower of ICCMWs.

Mental Health Services

- During the period from the commencement of services in various districts in 2010 to September 2011, ICCMWs have served 14 000 ex-mentally ill persons and persons who are suspected to have mental health problems.
- ICCMWs have also organised over 2 000 public education activities to enhance community understanding of mental health.
- From 2007-08 to 2011-12, we have provided 69 additional psychiatric medical social workers, representing an increase of 40%.

Supporting the disadvantaged Injection into the Community Investment and Inclusion Fund

- To inject an additional \$200 million into the Fund.
- To promote social capital development through encouraging mutual support in the neighbourhood, community participation and cross-sectoral partnership.
- Since its establishment, the Fund has subsidised 238 projects rolled out by more than 130 organisations involving funding of approximately \$240 million and over 560 000 participants. There have been notable achievements in capacity building, enhancement of interpersonal relationship and development of community networks.

Support services for youths

- A recurrent funding of \$12.36 million starting from 2012-13 to set up additional youth outreaching teams (one each in Ma On Shan, Tseung Kwan O and Tung Chung) to reach out to more youths at risk and provide timely counseling, assistance and guidance.
- The Social Welfare Department has incurred additional recurrent funding of \$50.93 million since September 2011 to step up school social work services in all secondary schools by a 20% (96 persons) increase in manpower. In 2011/12 school year, the total number of school social workers over the territory has increased to 574.

Support services for children and families

- An additional recurrent funding starting of \$68 million from 2012-13 to –
 - increase in phases 130 residential child care service places and raise the foster care allowance for foster families; and
 - set up three new Integrated Family Service Centres to prevent and address family problems.



CSSA and SSA

- The Government has continuously enhanced support under the social security system for the less privileged over the past 5 years
- The cumulative increase in recurrent expenditure on CSSA and SSA since 2007-08 is 22%
- It has increased from about \$24.07 billion in 2007-08 to about \$29.35 billion in 2012-13, and now represents 11% of the total social welfare expenditure

Relief Measures

- To provide an extra one-month payment of CSSA, OAA and DA, so as to ease the pressure of the economic downturn on our community
- Estimated expenditure is about \$2.1 billion; with about 1.1 million beneficiaries

Employment and Training

- The Government attaches great importance to employment support and manpower training.
- The estimated recurrent expenditure on labour and manpower development in 2012-13 amounts to \$1.54 billion, up 19% from \$1.29 billion (revised estimate) over the previous year.
- As for Employees Retraining Board, the expenditure over the past five years rose from \$393 million in 2007-08 to the preliminary budget of \$1 billion in 2012-13, an increase of 154%.

Labour Market

- The employment market has generally held stable since the implementation of Statutory Minimum Wage (SMW) in May 2011.
- The seasonally adjusted unemployment rate for October – December 2011 was 3.3%, down by 0.2 percentage point as compared with the pre-SMW situation (February – April 2011.)
- SMW has brought substantial improvement to the earnings of low-income workers. In September - November 2011, the average employment earnings for full-time low-paid employees (ie the lowest decile group) registered a year-on-year hike of 13.0% (or 7.4% in real terms), much larger than the overall average increase of 7.6%.

Employment Support

- The Administration will continue to closely monitor the economic development and the impact of the implementation of SMW.
- In particular how it will affect the employment opportunities of vulnerable groups and young people.
- The Administration is prepared to take out prompt measures to strengthen the employment support when situation warrants.

Promoting Employment for Vulnerable Groups

- The Administration will take out prompt measures to strengthen employment support to vulnerable groups when situation warrants, including :
 - Youth Pre-employment Training Programme & Youth Work Experience and Training Scheme
 - Employment Programme for the Middled-aged
 - Work Orientation and Placement Scheme
- The estimated expenditure for running the above employment programmes in 2012-13 is \$175 million



Youth Employment

- The employment situation of young people showed continued improvement last year. For young people aged 15-24, the unemployment rate was 7.9% in October – December 2011, which was distinctly lower than the 11.3% in the same period in 2010.
- The “double-cohort” and the uncertainty of the economic prospect pose challenges to young people in seeking employment in 2012.
- The Administration will closely monitor the employment situation of young people and adopt a multi-pronged approach in promoting youth employment.

Youth Employment

- Labour Department : “Youth Pre-Employment Training Programme & Youth Work Experience and Training Scheme” and “Youth Employment Start”
- Employees Retraining Board: provides courses under the “Youth Training Programme” for non-engaged youths
- Vocational Training Council: launched a pilot traineeship scheme in December 2011 for the service industries, with the beauty care and hairdressing industries as the starting point, providing youths aged 15 or above with about 1 000 training and work opportunities annually



Employees Retraining Board

- Allocate additional resources in 2012-13 for the provision of more placement-tied courses
- Provide a total of 130 000 training places, and continue to remain vigilant of market situation, while reserving resources for offering an additional 30 000 training places if necessary
- Continue to discuss with the industries actively with a view to providing market-oriented courses, and to offer services to the public across the territory through some 130 training bodies