

# The Chief Executive's 2020 Policy Address

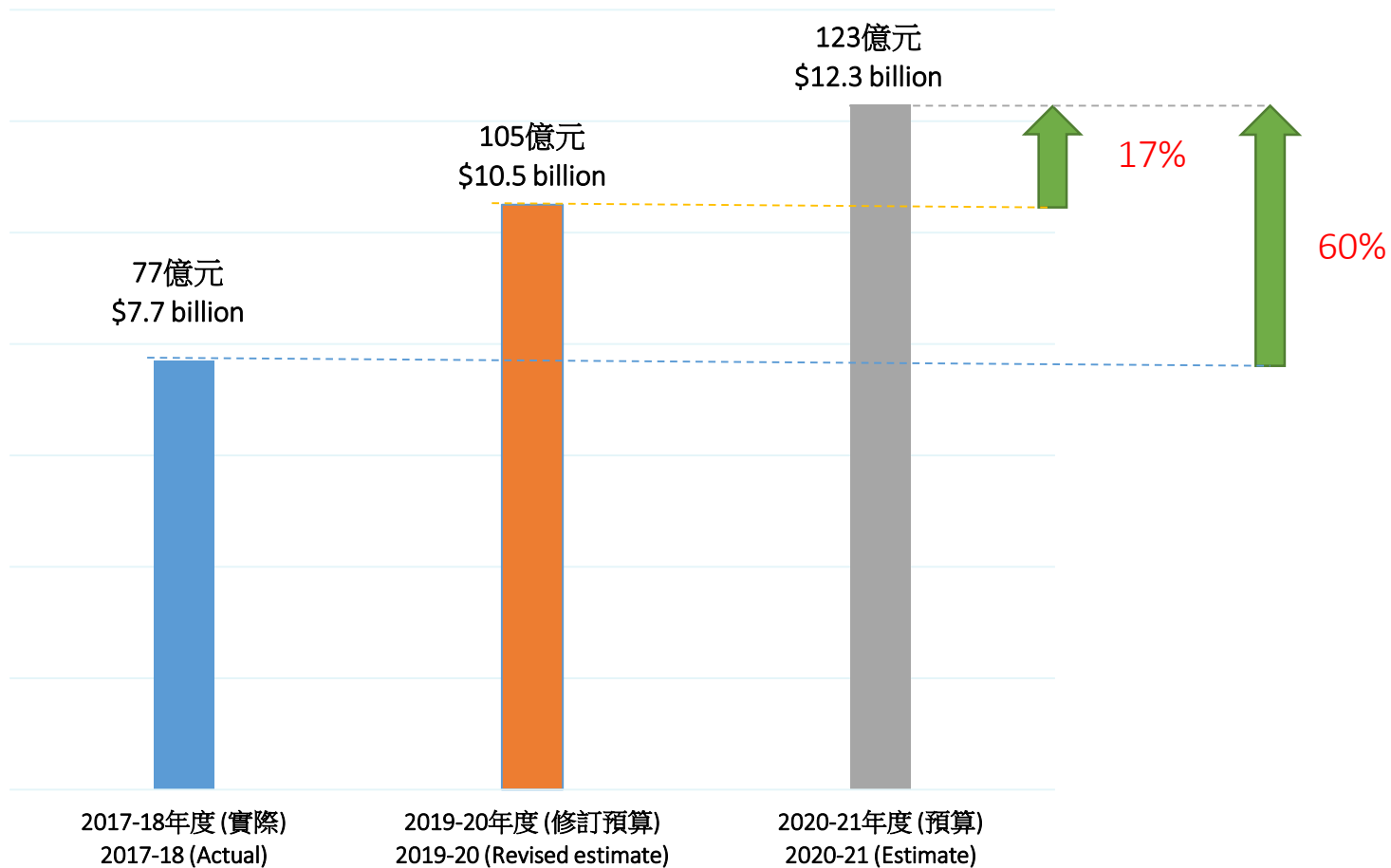
## Labour and Welfare Policy Highlights

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# Enhancing Welfare Services with Multi-pronged Approach and Better Utilisation of Land Resources

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# Elderly Services



Estimated recurrent expenditure on elderly services in 2020-21 is about **17%** higher than the previous financial year, and about **60%** higher than that in 2017-18

# Enhancement in Home Care Services

- The number of service quotas of subsidised home care services increased by about 40% from 8 365 in July 2017 to 11 865 in October 2020, and will further increase by 1 500 in 2021
- The number of vouchers under the Pilot Scheme on Community Care Service Voucher for the Elderly also increased by 5 000 (from 3 000 in July 2017 to 8 000 in October 2020)

# Enhancement in Residential Care Services

- Since July 2017, 7 new contract residential care homes for the elderly (RCHEs) have commenced operation, providing over 740 places. 45 new projects for providing 53 contract homes are under development, to gradually provide around 8 400 places in coming years
- The Government has commenced the purchase of additional 5 000 EA1 places under the Enhanced Bought Place Scheme in 2019-20 with a view to increasing the supply of subsidised residential care places for the elderly and enhance the overall service quality of private RCHEs

# \$1 Billion Innovation and Technology Fund for Application in Elderly and Rehabilitation Care

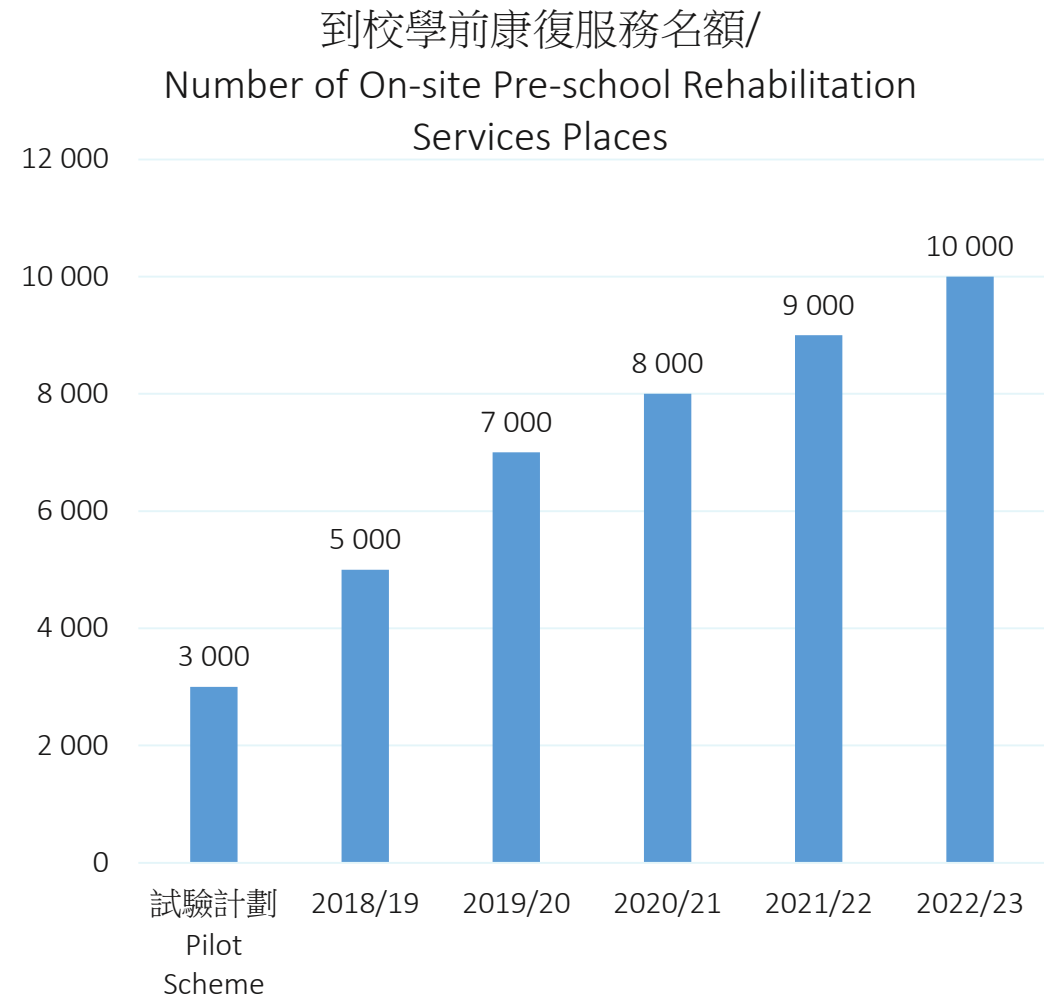
- Thus far, 3 tranches of grants totalling over \$200 million have been approved, subsidising about 970 elderly and rehabilitation service units to procure or rent over 4 200 items of technology products
- The fourth tranche application was closed on November 2, 2020, and the vetting of applications is underway

# Strengthening Child Care Centres Services

- To strengthen child care centres services, the government has:
  - Improved its long-term planning, manning ratio and subsidy level
- To enhance day child care services, the Social Welfare Department plans to:
  - Provide an additional 1 000 child care service places in phases from 2021-22 through Purchase of Premise Scheme

# Rehabilitation Services (Children with Special Needs)

- On-site Pre-school Rehabilitation Services regularised in October 2018 with the number of service places increased from about 3 000 under the pilot scheme in 2015 to over 8 000 in the 2020-21 school year in phases
- To further increase the number of service places to 10 000 by the 2022-23 school year





# Rehabilitation Services – Supporting Persons with Disabilities and their Carers

- To increase the numbers of District Support Centres for Persons with Disabilities from 16 to 21, Parents/Relatives Resource Centres from 6 to 19, Support Centres for Persons with Autism from 3 to 5
- To provide over 40 additional designated residential respite places through the Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities in 2021

# Rehabilitation Services – Supporting Persons with Disabilities and their Carers

- To explore the provision of residential respite service in special schools with a boarding section having vacant boarding places for graduates in need during long holidays
- To examine the feasibility of arranging for existing residents of hostels for severely mentally handicapped persons in need of pairing Day Activity Centre services to receive these services at their hostels where physical space permits, thereby releasing the service quota to those living in the community

# Increase Supply of Social Welfare Facilities by Better Utilisation of Land Resources

- Development Bureau will invite Housing Authority and Housing Society to consider reserving about 5% of the total gross floor area in future public housing developments exclusively for welfare uses, in particular RCHes which are much needed by the community
- Labour and Welfare Bureau will discuss the implementation details together with Development Bureau and Transport and Housing Bureau with a view to ensuring that the measure will not impact on the public housing supply and other supporting facilities

# Social Welfare Planning – Rehabilitation

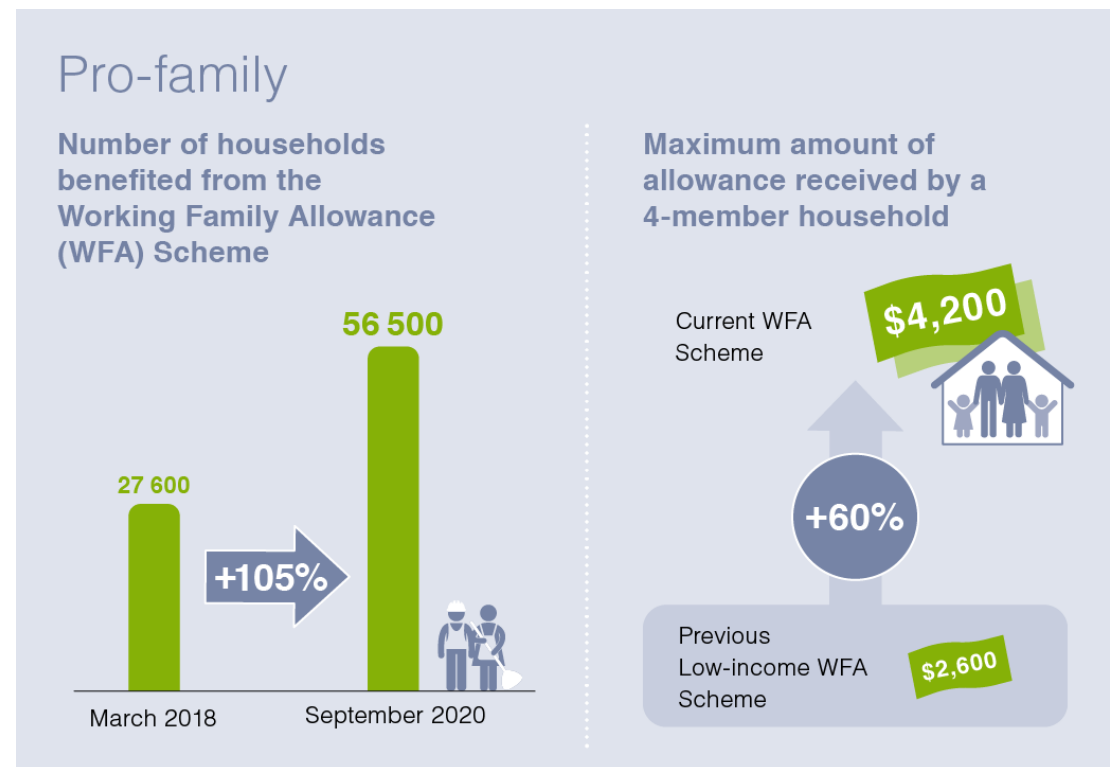
- To incorporate the planning ratios of rehabilitation services concerned (including long-term residential care services, day rehabilitation services, pre-school rehabilitation services and community support services) into the Hong Kong Planning Standards and Guidelines in 2021-22 to ensure sustainable service development

# Financial Assistance and Short-term Relief Measures

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# Working Family Allowance Scheme

- The Government launched the Working Family Allowance Scheme in April 2018. Following the implementation of the various improvement measures, as at end-September 2020, the number of active households has been doubled compared with that before the improvements, with the amount of allowances increased significantly



# Working Family Allowance Scheme

- Separately, further to the Transport and Housing Bureau's launch of a trial scheme to provide cash allowance to eligible low-income households who have been waiting for public rental housing (PRH) for more than 3 years, the Working Family Allowance Scheme will introduce a set of higher income limits for other eligible non-PRH households
- Implementation details will be announced in due course

# Special Scheme of Assistance to the Unemployed under CSSA Scheme

- Providing a time-limited "Special Scheme of Assistance to the Unemployed" through the Comprehensive Social Security Assistance (CSSA) system. The CSSA asset limits for able-bodied persons have been temporarily relaxed by 100% from June 1, 2020. The relevant arrangement has been extended to May 31, 2021
- Upon completion of the necessary adjustments to the CSSA system, we will implement a new time-limited arrangement under which the total cash value of insurance policies of able-bodied applicants will be disregarded as assets for the grace period of one year, so that more unemployed persons can receive assistance to tide over economic difficulties. The Government will announce the details later
- The Social Welfare Department has implemented the measure on the significant increase on the maximum rent allowance as announced in the Chief Executive's 2019 Policy Address since July 2020. It will also implement other CSSA improvement measures including raising the maximum level of disregarded earnings per month and extending the eligibility of a series of special grants etc. as soon as possible



# Short-term Food Assistance Service Projects

- Regularise Short-term Food Assistance Service Projects in August 2021
- Earmark \$415 million a year in recurrent expenditure

# Employment Support and Training

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# Extending "Love Upgrading Special Scheme"

- The Employees Retraining Board (ERB) will launch a **new tranche of "Love Upgrading Special Scheme"** from January 2021 for 6 months until mid-2021
- Enabling **20 000 trainees** to receive retraining and provide allowance during the training period, doubling the training places of the current tranche
- No restriction on trainees' educational attainment; cross-industry training encouraged

# Matching of Manpower Resources

- To tackle manpower shortage in certain sectors (such as caring sector) despite the persistently high unemployment rate:
  - To encourage employers to participate in ERB's "First-Hire-Then-Train" Scheme, and **explore adjustments to the training and working hour arrangements**
  - Arranging employers to join the Labour Department (LD)'s **"Employment Programme for the Elderly and Middle-aged"** to apply for on-the-job training allowance
  - LD will enhance job matching between employers and job-seekers

# Greater Bay Area Youth Employment Scheme

- The Government will earmark about HK\$430 million to launch an 18-month Greater Bay Area Youth Employment Scheme to encourage enterprises operating business in both Hong Kong and the Greater Bay Area (GBA) to recruit and deploy local university graduates to work in the Mainland cities of the GBA. There will be a quota of 2 000, of which 400 will be allocated for posts in the innovation and technology field

# Employees' Benefits and Support

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# Extending Statutory Maternity Leave and Implementing Reimbursement of Maternity Leave Pay Scheme

- The Employment (Amendment) Ordinance 2020 (Amendment Ordinance), which extends the statutory maternity leave (ML) by 4 weeks, will take effect on December 11 this year. Around 27 000 female employees will benefit from the extension of ML each year
- Employers may apply to the Government for full reimbursement of the additional ML pay that is required to be paid and has been paid under the Amendment Ordinance, subject to a cap of \$80,000 per employee. LD is pressing ahead with the preparatory work with a view to implementing the Reimbursement of Maternity Leave Pay Scheme as soon as possible in the first half of next year

# Increase Number of Statutory Holidays

- The Government proposes to increase progressively the number of statutory holidays under the Employment Ordinance from the existing 12 days to 17 days, so that it will be on a par with that of the general holidays
- The proposal has formally entered the discussion stage by the Labour Advisory Board. The Chief Executive earnestly hopes that an implementation plan acceptable to both employees and employers can be agreed in order to conclude this controversial labour welfare issue which has lingered on for years, so that we may strive to introduce the enabling bill into the LegCo for scrutiny within the current term of Government



# Pilot Rehabilitation Programme for Employees Injured at Work

- LD is actively preparing for the launch of a 3-year Pilot Rehabilitation Programme for Employees Injured at Work (Pilot Programme) targeting injured employees from the construction industry. Under the Pilot Programme, a case management approach will be adopted to provide private out-patient rehabilitation treatment services for the participating injured employees in a timely and well-coordinated manner to facilitate their early recovery and return to work
- LD is preparing an Amendment Bill for introduction into the LegCo in 2020-21 legislative session to empower the Occupational Safety and Health Council to administer the Pilot Programme

# Abolition of "offsetting" arrangement

- The Chief Executive announced in the 2018 Policy Address the enhanced arrangements for the abolition of using employers' mandatory contributions under the Mandatory Provident Fund (MPF) System to "offset" severance payment and long service payment ("offsetting" arrangement). The Government is working at full steam in taking forward the preparatory work for implementing the abolition of the "offsetting" arrangement, including the drafting of the enabling bill
- The abolition of the "offsetting" arrangement cuts across different policy areas and involves complex issues. We are currently reviewing the design of the proposal for abolishing the "offsetting" arrangement to examine whether there is room to simplify the implementation and administration of the proposal, and to facilitate better understanding by the public. We are currently pressing ahead with the relevant work with a view to completing the drafting of the bill as soon as possible