

## CE's speech in delivering "The Chief Executive's 2020 Policy Address" to LegCo (9)

### VIII. Continuously Improving People's Livelihood

#### Increased Expenditure on Welfare and Healthcare

130. The current-term Government is committed to building a caring community and looking after the underprivileged, as can be seen in the allocation of resources. Recurrent government expenditures on social welfare and healthcare have increased from \$65.3 billion and \$62.6 billion in 2017-18 to \$93.9 billion and \$87.1 billion in 2020-21 respectively, with an average annual increase of 12.9% and 11.6%. Apart from the recurrent expenditure, we have also increased the non-recurrent funding for provision of additional facilities, which include an additional funding of \$300 billion for the development of public healthcare facilities and healthcare teaching facilities, as well as \$20 billion for the purchase of private premises for welfare purposes.

#### Implementing Measures to Further Improve People's Livelihood

131. In January this year, I put forward a series of initiatives to further improve people's livelihood. Although the COVID-19 epidemic has brought drastic changes to our economy and public finances, the Government will take forward the initiatives in a prudent manner. Among them, the study on tenancy control and the preparation for the cash allowance trial scheme, both related to the housing of low-income families, have already commenced. The proposal to increase the number of statutory holidays to bring it on par with that of general holidays has formally entered the discussion stage at the Labour Advisory Board. I earnestly hope 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 term of the current Government. As for the \$2 transport fare concession scheme which has recently drawn much public attention, the Government has largely completed the internal assessment, and on the premise of being able to combat and prevent abuse effectively, we will include the required funding in the 2021-22 Budget with a view to progressive implementation within that financial year.

#### Additional Gross Floor Area for Welfare Purposes in Public Housing

132. Apart from purchasing private premises for welfare purposes, I consider that providing social welfare facilities in future public housing projects is a practical and feasible option. I will invite the HKHA and the HKHS to work with the DEVB to explore increasing the plot ratio of future public housing projects so that about 5% of the gross floor area can be set aside for the

provision of social welfare facilities. It is fully acknowledged that in view of the tight housing supply, this proposal should not affect the original flat production of the projects.

## Stepping Up Efforts to Combat Unemployment

### Labour Situation

133. Affected by the global and local epidemic, Hong Kong's labour market has come under immense pressure. To help workers find a way out of the predicament, the Government has to make every effort to restore the economy, create more jobs, increase training and retraining opportunities, step up manpower matching and enhance the safety net of the social welfare system.

### Creating Employment

134. Under the second round of the AEF, we launched a Job Creation Scheme whereby a total of 30 000 time-limited job opportunities would be created for people with different academic qualifications and skill sets. So far, about 29 000 jobs have been created in the public and private sectors, of which over 10 000 have been filled. I notice that the schemes for industries with more promising prospects are particularly popular. For example, the Financial Services Development Council has received an allocation of \$180 million to launch the Financial Industry Recruitment Scheme for Tomorrow (FIRST), under which a monthly government subsidy of \$10,000 will be provided to employers for each job quota, and nearly all the 1 500 quotas have been successfully taken up by eligible financial services companies within three weeks upon the launch of the scheme.

135. In view of this, the Government will adopt the following measures to create more sector-specific job opportunities which are particularly suitable for young people graduating in recent years:

- Green industry: We will invest in a series of environmental projects in the next few years, creating an estimated 4 000 job opportunities in sectors such as scientific research, architecture and engineering, recycling and transport;
- Construction industry: In addition to the planned large-scale projects, I have requested various works departments to press ahead with renovation, repair and maintenance works for various government buildings and facilities, and to expedite the refurbishment and minor improvement works of public markets. The HKHA will also allocate additional resources to improve the environment and communal facilities of public housing estates;
- I&T industry: We need more technology talents for the development of I&T in Hong Kong. However, in the short term, most of the positions for new entrants are offered by major technology companies in the Mainland cities of the GBA. The Government will provide wage subsidies for Hong Kong technology companies to hire employees to work and gain experience in the Mainland cities of the GBA;
- Property management industry: The Government is collaborating with large

property management companies and will subsidise them to employ more young people who are interested in pursuing their career in property management, which will also help enhance the professionalism and attractiveness of the industry;

- Creative industries: The Government will make good use of various funds which support the development of films, design, culture and arts as well as Art Tech. It will also consider providing wage subsidies to attract more newcomers who aspire to pursue a career in the creative industries; and
- Legal profession: As an international legal hub and centre for dispute resolution services, coupled with the recent implementation of liberalisation measures for legal professional services in the GBA, there is a need for Hong Kong to nurture more legal talents.

#### Love Upgrading Special Scheme for Retraining

136. Upon discussion with the Employees Retraining Board (ERB), the Government will further enhance its support to employees affected by the economic downturn. Immediately after the completion of the second tranche of the Love Upgrading Special Scheme at the end of this year, the ERB will launch the third tranche of the scheme in January next year, which will last for six months until mid-2021. The new tranche will double the 10 000 training places under the second tranche, enabling 20 000 trainees to receive retraining and an allowance during the training period. The scheme does not impose any academic qualification requirements on trainees and encourages them to participate in cross-industry training, with the aim of assisting them to rejoin the employment market as early as possible.

#### Matching of Manpower Resources

137. While the unemployment rate remains high, some sectors are facing staff shortages. As such, the LD will step up its efforts to enhance matching between employers and people seeking employment, strengthen its liaison with employers with recruitment needs, and organise more thematic job fairs to help job seekers secure employment. At the same time, we will encourage employers of sectors that face persistent manpower shortages, including those of the care sector, to participate in the ERB's First-Hire-Then-Train Scheme. In view of the tight manpower situation of frontline care staff in residential care homes for the elderly, we will consider adjusting the training and working hour arrangements under the scheme to attract people to join the sector. We will also make arrangements for employers to join LD's Employment Programme for the Elderly and Middle-aged so that they can apply for the on-the-job training allowance.

#### Enhancing Social Welfare Safety Net

138. The CSSA Scheme put in place by the Government has all along served its function as a safety net effectively. With the local unemployment rate continuing to rise since late 2019, the number of CSSA unemployment cases has increased accordingly. In the past 12 months (as at late October this year), the total number of CSSA unemployment cases has recorded a nearly 55%

increase, which shows that the CSSA Scheme is generally regarded as a safety net by the unemployed during the epidemic and economic downturn. To assist more unemployed persons and their families, the Government has launched the Special Scheme of Assistance to the Unemployed under the CSSA Scheme on 1 June this year for a period of one year to temporarily relax the asset limits for able-bodied applicants/recipients by 100%. To further support the unemployed, upon completion of the necessary adjustments to the CSSA system, we will implement a new arrangement under which the total cash value of insurance policies of able-bodied CSSA applicants/recipients will be disregarded as assets for a period of one year, so that more unemployed persons can receive assistance to tide over their economic difficulties.

#### Alleviating the Burden of Transport Expenses

139. To alleviate the public's burden of transport expenses during the epidemic, the Government has earlier introduced a special temporary measure to temporarily relax the monthly public transport expenses threshold under the Public Transport Fare Subsidy Scheme from \$400 to \$200 between July and December this year. I have decided to extend the measure for six months. In other words, from 1 January to 30 June 2021, the Government will continue to provide a subsidy amounting to one-third of the monthly public transport expenses in excess of \$200, subject to a maximum of \$400 per month. It is estimated that around 3.8 million people will benefit per month. Furthermore, after discussion with the Government, the MTRCL has decided to extend the 20% fare discount, which is supposed to cease at the end of this year, for three months until March 2021.

#### Regularisation of the Short-term Food Assistance Service Projects

140. To support individuals and families with difficulties coping with their daily food expenditure, the Social Welfare Department (SWD) launched the Short-term Food Assistance Service Projects (STFASPs) since February 2009. The STFASPs serve to supplement other poverty alleviation measures and help the underprivileged tide over their financial difficulties. The Government will make this service a permanent one from August 2021 upon completion of the existing service contracts, and has earmarked \$415 million to meet its recurrent expenditure.

#### Supporting Persons with Disabilities and Their Carers

141. To enhance the support for persons with disabilities and their carers, apart from continuing to take forward various rehabilitation programmes under the Persons with Disabilities and Rehabilitation Programme Plan, we will implement additional measures in the coming year to further relieve the stress of carers, including providing additional residential respite places through the Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities, providing residential respite service in boarding sections of special schools with vacant boarding places, and arranging severely mentally handicapped persons in need of pairing day activity centre services to receive services at their hostels subject to the availability of sufficient space. Meanwhile, the Labour and Welfare Bureau is conducting an in-depth study with a view to providing an evidence-based basis for

formulating a comprehensive carer policy and the relevant pilot schemes.

## Medical and Health

### District Health Centres

142. The current-term Government attaches great importance to primary healthcare development. The first District Health Centre (DHC) in Kwai Tsing District came into operation in September last year. Operation service contracts for DHCs of another two districts were awarded, and the sites for nine other DHCs have been confirmed. The Food and Health Bureau will look into implementation of a Pilot Public-Private Partnership Programme for DHCs, under which subsidised medical consultation services will be provided to DHC members who are newly diagnosed with diabetes or hypertension, with a view to enhancing the measures to manage the chronic disease and alleviating the pressure on the public healthcare system.

### Enhancing the Elderly Dental Assistance Programme

143. The Elderly Dental Assistance Programme under the CCF benefits over 500 000 low-income elderly persons aged 65 or above. We plan to expand the scope of subsidy so that eligible elderly persons in need of treatment can receive more targeted dental services. These include:

- (1) allowing the inclusion of more subsidised items, including the removal of bridges or crowns and the provision of root canal treatment; and
- (2) allowing elderly persons reaching the age of 75 and who have joined the programme for at least five years to receive free removable dentures and other related dental services for a second time.

## Mental Health

144. The social unrest last year, together with the persisting COVID-19 epidemic since early this year, have brought different levels of impact and influence on the mental well-being of some people. The Government has decided to provide additional resources of \$300 million under the Beat Drugs Fund to better support the needy in the community and raise public awareness of mental health.

### Drug Subsidies and Support for Patients with Uncommon Disorders

145. The Government and the HA introduced enhancement measures for the means test mechanism of the Samaritan Fund and the CCF Medical Assistance Programmes in early 2019 to alleviate the financial burden of patients' families arising from drug expenses. We will further refine the mechanism after reviewing the effectiveness of the measures. At present, the Samaritan Fund and the CCF Medical Assistance Programmes cover 48 and 34 drugs respectively. We will continue to increase the number of drugs covered under the two Funds and relax the clinical criteria of existing drugs in accordance with the established mechanism, thereby strengthening the support for the needs of patients with cancers and uncommon disorders.

## Strengthening Support for Ethnic Minorities

146. The Government has all along been fostering the social integration of ethnic minorities. In the past two years, we have implemented around 30 measures to support ethnic minorities, covering areas of education, employment, social welfare, healthcare and social inclusion. Among these measures, the amended Race Discrimination Ordinance, which enhances the protection for ethnic minorities, also came into effect in June this year. In addition, outreaching teams have been set up by the SWD to proactively reach out to ethnic minorities with welfare needs.

147. Starting from the second quarter of 2021, the Hong Kong Observatory will provide basic weather information on its website in eight ethnic minority languages. This will facilitate ethnic minorities' real time access of information such as latest weather reports, warnings and forecasts as well as tropical cyclone tracks presented in their own languages. I will continue to encourage more departments to review their delivery of daily public services and actively consider meeting the needs of ethnic minorities.

(To be continued.)