

## Chapter 14

# Labour and Welfare

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Labour and welfare is crucial to the well-being of the community and affects the livelihoods of people. The government implements targeted policy initiatives to safeguard the rights and benefits of employees and promote the welfare of the underprivileged. In 2022, there were major developments and progress in a number of areas.

The Legislative Council passed the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Bill 2022 to abolish the use of the accrued benefits of employers' Mandatory Provident Fund contributions to offset employees' severance and long-service payments. The government will implement the abolition of the offsetting arrangement on 1 May 2025.

The government is dedicated to child protection. It consulted stakeholders from August to October on implementing a mandatory reporting regime for child abuse and neglect cases, with a view to introducing a bill to the Legislative Council in the first half of 2023. The Social Welfare Department, in collaboration with relevant government bureaus and departments, is preparing to provide training for relevant practitioners to facilitate their early identification and reporting of child abuse cases.

The government has completed the first phase review of residential child care services and identified areas for improvement. It is taking forward the recommendations on improving service quality, enhancing service planning, strengthening law-enforcing inspections and engaging independent people to conduct unannounced inspections.

Additional resources have been allocated to community care services to support the elderly to age in place. The average waiting time for home-based care services was significantly reduced from 13 months at the end of 2017 to six months by end-2022 and that for centre-based day care services from 10 months to five months.

In respect of subsidised residential care services, the average waiting times for nursing home places and care and attention places was reduced from 23 and 24 months respectively at end-2017 to 18 and 16 months by the end of 2022.

The Innovation and Technology Fund for Application in Elderly and Rehabilitation Care, since its launch in 2018, has granted a total of \$470 million to subsidise about 1,500 elderly and rehabilitation service units to procure or rent over 12,000 technology products. In September, the fund's application eligibility was expanded to include about 500 private or self-financing residential care homes for the elderly and for persons with disabilities, bringing the number of beneficiaries to about 2,200 service units.

The Normal and Higher Old Age Living Allowances were merged with effect from 1 September. The merged allowance adopts the more relaxed asset limits of the Normal allowance and the payment rate of the Higher allowance, while the monthly income limits remain unchanged. The merger benefits about 50,000 elderly people.

To strengthen work injury rehabilitation services, the Labour Department launched a pilot programme to provide timely and coordinated rehabilitation treatment services for injured construction employees to facilitate their early recovery.

The Labour and Welfare Bureau maps out strategies to develop a well-trained and adaptable workforce to meet the changing manpower demands of the economy and contribute to the overall competitiveness of Hong Kong. It is also committed to building a caring and cohesive community through helping the disadvantaged and elderly, care for children, support for needy families, as well as promoting self-reliance through suitable support measures.

The Labour Department formulates and implements labour policies, enforces labour legislation, provides free employment and recruitment services to job-seekers and employers, promotes harmonious labour relations, safeguards employees' rights and benefits, and promotes occupational safety and health of the workforce.

The Social Welfare Department implements social welfare policies to help individuals and families in need, while the Working Family Allowance Office of the Working Family and Student Financial Assistance Agency provides financial assistance to working households in Hong Kong.

The Social Welfare Advisory Committee, Elderly Commission, Rehabilitation Advisory Committee, Women's Commission, Commission on Children and Commission on Poverty advise the government on welfare policies.

## Labour Market

The government improves the use of human resources in Hong Kong and supports economic development by upgrading workers' skills so they can be more employable and competitive, improving the business environment, introducing measures to create jobs and enhancing labour market efficiency.

In 2022, the labour force totalled 3.78 million people, of whom 50 per cent were men and 50 per cent were women. The total represented a drop of 2.4 per cent over 2021.

The majority, or 88.4 per cent, were employed in the service sectors: 29.5 per cent in public administration, and social and personal services; 25.5 per cent in the import/export, wholesale and retail trades, and accommodation (covering hotels, guesthouses, boarding houses and other establishments providing short-term accommodation) and food services; 22.7 per cent in financing and insurance, real estate, and professional and business services; and 10.7 per cent in transportation, storage, postal and courier services, and information and communications. Only 2.1 per cent worked in manufacturing.

The overall unemployment rate decreased from 5.2 per cent in 2021 to 4.3 per cent in 2022, whereas the underemployment rate decreased from 2.6 per cent in 2021 to 2.3 per cent in 2022. Total employment dropped by about 57,000 to 3,613,200.

## Employment Earnings and Wages

During the year, 9.9 per cent of employed people earned less than \$5,000 a month and 28.3 per cent earned \$30,000 and above a month. Median monthly employment earnings rose by \$1,000 to \$19,000 from \$18,000 in 2021. The median monthly employment earnings for

higher-skilled workers, such as managers, professionals and associate professionals, were \$32,500 in 2022, while those for lower-skilled workers were \$14,000.

Wage rates as measured by the Nominal Wage Index for workers up to supervisory level increased 2.6 per cent in December 2022 over a year earlier.

## **Employment Services**

The Labour Department's 13 job centres, three recruitment centres for the catering, retail and construction industries, a Telephone Employment Service Centre and a Job Vacancy Processing Centre provide free employment and recruitment services to job-seekers and employers. Its Interactive Employment Service website and mobile application offer round-the-clock employment services.

The department organises large-scale, district-based and thematic job fairs. It offers targeted help through the Employment Programme for the Elderly and Middle-aged, Work Trial Scheme, Racial Diversity Employment Programme, Work Orientation and Placement Scheme for job-seekers with disabilities, Youth Employment and Training Programme, and Youth Employment Start. For major closure or retrenchment cases, it will set up a telephone hotline and special counters at job centres to provide priority job referral services for affected workers.

In 2022, the department registered 26,998 job-seekers and made over 164,000 job placements. It recorded 1,086,335 private-sector vacancies, 2.3 per cent more than in 2021.

### ***Employment Programme for the Elderly and Middle-aged***

The Employment Programme for the Elderly and Middle-aged encourages employers to hire the elderly and middle-aged and provide them with on-the-job training by paying employers a training allowance. Employers engaging job-seekers aged 60 or above who are unemployed or have left the workforce are offered a monthly training allowance of up to \$5,000 per employee for six to 12 months. Those who engage unemployed job-seekers aged 40 to 59 are offered an allowance of up to \$4,000 per month per employee for three to six months. There were 2,707 placements under the programme in 2022.

### ***Work Trial Scheme***

Work trials are conducted for people with difficulties in finding jobs. Each participant who completes a one-month full-time work trial receives up to \$8,300 from the department, while the allowance for a part-time work trial is \$49 per hour, of which \$500 is contributed by the organisation in which the participant served. During the year, 201 people took part in trials.

### ***Racial Diversity Employment Programme***

The Labour Department has commissioned two non-governmental organisations (NGOs) since November 2020 to implement, on a three-year pilot basis, the Racial Diversity Employment Programme. The programme provides one-stop employment support services to job-seekers from ethnic minorities in a case management approach. In 2022, the programme served 344 ethnic minority job-seekers and recorded 122 placements, including 32 by referral. Following a review, the department will regularise the implementation of this programme.

### ***People with Disabilities***

The department helps people with disabilities who are fit for open employment seek jobs. It provides free employment counselling and placement services to people who are formerly mentally ill or have hearing or visual impairment, physical handicap, chronic illness, autism spectrum disorder, intellectual disability, specific learning difficulties or attention deficit/hyperactivity disorder. In 2022, the department registered 2,570 job-seekers with disabilities and secured 2,412 placements.

The Work Orientation and Placement Scheme improves employment opportunities for people with disabilities by paying employers an allowance to encourage them to provide jobs and employment support. An employer who hires a person with disabilities having employment difficulties is entitled to an allowance of up to \$60,000 over the nine-month on-the-job training period. In 2022, the scheme made 1,228 job placements.

### ***Continuing Education Fund***

The fund subsidises adults with aspirations to pursue continuing education. About 48,000 reimbursement claims were approved and subsidies totalling about \$430 million were paid out in the year.

### ***Youth Employment and Training Programme***

School leavers aged between 15 and 24 with up to sub-degree education may choose from a full range of pre-employment and on-the-job training. Government departments, employers and NGOs work together under this programme to help young people enhance their employability, improve job search skills and secure employment. Participating employers who engage eligible young people and provide them with on-the-job training may get a training allowance of up to \$5,000 per month per trainee for six to 12 months. In 2021-22, 3,222 school leavers enrolled on the programme.

### ***Youth Employment Support***

People aged between 15 and 29 may make use of one-stop advisory and support services at two youth employment resource centres called Youth Employment Start, which are operated by the department, to improve their chances of employment and help secure their sustainable employment or self-employment. In 2022, services were provided to young people by the two centres 54,052 times.

### ***Greater Bay Area Youth Employment Scheme***

The pilot Greater Bay Area Youth Employment Scheme, launched in 2021, encouraged enterprises with businesses in both Hong Kong and the Mainland cities of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) to employ university graduates from Hong Kong with a monthly salary of not less than \$18,000 and deploy them to work in the GBA Mainland cities. The government paid the enterprises a monthly allowance of \$10,000 for each graduate engaged for up to 18 months.

On completion of the pilot scheme in 2022, the government will launch the regularised scheme in the first half of 2023.

### **Working Holiday Scheme**

Hong Kong has bilateral working holiday arrangements with 14 economies, namely Australia, Austria, Canada, France, Germany, Hungary, Ireland, Italy (commencement date to be confirmed), Japan, Korea, the Netherlands, New Zealand, Sweden and the United Kingdom. Through the scheme, Hong Kong youths aged 18 to 30 may experience different cultures and broaden their horizons through living and working temporarily while holidaying overseas. The scheme also allows youths from the partner economies to learn about Hong Kong.

A majority of the partner economies allow Hong Kong youths to stay for up to 12 months, and take up short-term employment to support their travel expenses and/or study short-term courses (except for Ireland) while holidaying.

As at December, more than 100,000 Hong Kong youths participated in the scheme, while about 15,400 youths from the partner economies came to Hong Kong under the scheme.

### **Employees Retraining Board**

The Employees Retraining Board is a statutory body set up under the Employees Retraining Ordinance. Through about 80 appointed training bodies that operate around 400 training centres, the board provides market-driven training and support to help the unemployed and those seeking job changes re-enter the labour market. People aged 15 or above with up to sub-degree education may enrol on its full-time placement-tied courses, half-day or evening generic skills training courses, and Skills Upgrading courses. The board offers over 100,000 training places annually through its 700 courses across 28 industries. The training and support also cater for the needs of different social groups, including young people, new arrivals, ethnic minorities, people with disabilities and people recovered from work injuries, rehabilitated former drug abusers and former offenders. The board's Love Upgrading Special Scheme, commissioned by the government, offers free training courses and special allowances during the training period.

### **Labour Advisory Board**

The Labour Advisory Board, a representative tripartite consultative body, advises the Commissioner for Labour on labour matters including legislation and International Labour Organisation (ILO) conventions and recommendations. Chaired by the commissioner, it has six members representing employers and six representing employees.

### **Labour Relations**

The Labour Department provides a voluntary conciliation service to help employers and employees outside the government resolve disputes and claims. It also publicises the Employment Ordinance and promotes good human resource management practices.

The department runs nine industry-based tripartite committees to foster industry-level dialogue and cooperation among employers, employees and the government. These committees, covering catering, cement and concrete, construction, hotel and tourism, logistics, printing,

property management, retail and theatre, provide effective forums for members to discuss issues of common concern to their industries.

The department also works with 18 human resources managers' clubs to encourage members to maintain effective employer-employee communication and adopt good human resource management practices in their organisations and sectors.

In 2022, the department handled 70 trade disputes and 10,615 employment claims. In cases where the department provided a conciliation service, more than 70 per cent were settled.

### ***Trade Unions***

The Registry of Trade Unions administers the Trade Unions Ordinance and promotes good and responsible trade union management. Once registered, a trade union becomes a body corporate and enjoys immunity from certain civil suits.

During the year, 41 new unions were registered. The number of registered trade unions stood at 1,469, comprising 1,398 employee unions, 12 employer associations, 44 mixed organisations of employees and employers, and 15 trade union federations. The yearly average of the declared membership of employee unions over the five years from 2017 to 2021 was about 910,000. During the same period, the trade union participation rate (the proportion of the total declared membership of employee unions to the total number of salaried employees and wage earners) was about 25 per cent.

As at December, around 25 per cent of the employee unions were affiliated to three major labour organisations: the Hong Kong Federation of Trade Unions (194 unions), the Federation of Hong Kong and Kowloon Labour Unions (139 unions), and the Hong Kong and Kowloon Trades Union Council (18 unions).

### ***Labour Tribunal***

The Labour Tribunal is part of the Judiciary. It is a quick, simple and inexpensive channel for adjudicating labour disputes that are not within the exclusive jurisdiction of the Minor Employment Claims Adjudication Board. During the year, 3,378 cases were filed with the tribunal, of which 3,335 were initiated by employees and 43 by employers.

### ***Minor Employment Claims Adjudication Board***

This board adjudicates claims arising from disputes of statutory or contractual rights of employment involving not more than 10 claimants in each case with the claim amount for each claimant not exceeding \$15,000. In 2022, it dealt with 806 claims and granted awards amounting to \$2.81 million.

### ***Employees' Rights and Benefits***

Labour legislation, supplemented by administrative measures, provides the statutory basis for employers' and employees' obligations and rights, and enables Hong Kong to meet internationally accepted labour standards. In 2022, the Labour Department secured 4,026 convictions, resulting in fines totalling more than \$20.68 million.

The Employment Ordinance provides for employment-related benefits and entitlements to employees. Over and above the statutory requirements, employers and employees are free to negotiate the terms and conditions of employment. The government aims to improve employees' benefits and protection at a pace commensurate with Hong Kong's overall socio-economic development, taking into account both employees' interests and employers' ability to afford the benefits.

The Employment (Amendment) Ordinance 2022, implemented on 17 June, strengthens the protection of the employment rights and benefits of employees when they are absent from work due to their compliance with a specific anti-epidemic requirement with a movement restriction.

### ***Legal Protection***

In general, children under 15 are prohibited by law from taking up employment. Children aged 13 and 14 may work in non-industrial establishments under strict rules, while young people aged 15 to 17 may work in industrial establishments, subject to restrictions on their working hours.

Labour inspectors ensure employers comply with laws that safeguard workers' rights and benefits. The inspectors also check employees' proof of identity and work with the police and Immigration Department to combat illegal employment. In 2022, the three departments carried out 36 joint operations.

### ***Enforcement against Wage Offences***

The Labour Department takes active steps to prevent wage defaults. It also pursues vigorous enforcement action against employers who fail to pay wages due to their employees, and against employers who wilfully and without reasonable excuse fail to pay sums awarded by the Labour Tribunal or Minor Employment Claims Adjudication Board.

In 2022, the department secured 454 convictions for wage offences and 201 convictions for failure to pay sums awarded by the tribunal or the board.

### ***Protection of Wages on Insolvency Fund***

The fund provides timely relief in the form of ex gratia payments covering outstanding wages, wages in lieu of notice, severance payment, pay for untaken annual leave and pay for untaken statutory holidays to employees affected by their insolvent employers. It is financed mainly by a levy on business registration. In 2022, the fund made ex gratia payments totalling \$74.7 million to 2,167 applicants and recorded a surplus of \$382 million.

### ***Employees' Compensation***

The employees' compensation regime follows the 'no-fault' compensation principle, whereby compensation is payable regardless of whether the injury, prescribed occupational disease or death is due to the employee's fault. The Employees' Compensation Ordinance covers injury or death caused by accidents arising out of and in the course of employment, or by prescribed occupational diseases. An employer must have a valid employees' compensation insurance



policy to cover liabilities under the laws, including common law. Labour inspectors conduct workplace inspections to ensure employers have taken out such insurance.

The department helps injured employees and the families of deceased employees get compensation from their employers under the ordinance. It helps employees and employers better understand their rights and obligations under the ordinance through talks and publicity.

The Employees Compensation Assistance Fund provides assistance payment to injured employees or family members of deceased employees who fail to receive the entitled compensation after exhausting all legally and financially viable means of recovery. The Occupational Deafness Compensation Fund provides compensation for persons employed in specified noisy occupations who suffer hearing loss as a result of prolonged exposure to excessive noise at work, and financial assistance for hearing assistive devices. Both funds are financed mainly by a levy imposed on all employees' compensation insurance policies taken out by employers.

Pneumoconiosis and/or mesothelioma sufferers are eligible for compensation administered by the Pneumoconiosis Compensation Fund Board under the Pneumoconiosis and Mesothelioma (Compensation) Ordinance. The fund is financed by a levy imposed on the construction and quarrying industries. Those diagnosed to have contracted pneumoconiosis before the ordinance became effective in 1981 may apply for ex gratia payments from the government under the Pneumoconiosis Ex Gratia Scheme.

### ***Statutory Minimum Wage***

The statutory minimum wage rate in 2022 was \$37.50 per hour. The department publicises the Minimum Wage Ordinance widely and labour inspectors visit businesses to ensure employers' compliance with the law.

The Minimum Wage Commission is an independent statutory body established under the ordinance. Upon completion of the latest review, the commission submitted its recommendation on the statutory minimum wage rate to the Chief Executive in Council in October.

### ***Regulation of Employment Agencies***

The Labour Department enforces Part XII of the Employment Ordinance, the Employment Agency Regulations and the Code of Practice for Employment Agencies through issuing licences, conducting inspections, investigating complaints and prosecuting offenders. In 2022, the department conducted 1,714 inspections of employment agencies, prosecuted three non-compliant agencies successfully, issued or renewed 3,550 licences, and revoked one licence.

### ***Working Hours Policy***

The department is engaging its 11 industry-based tripartite committees to formulate sector-specific guidelines that will suggest arrangements for working hours, overtime compensation and good working hours management measures for employers and their employees to adopt and apply.

### **Retirement Protection**

All employees, except those who are not required by law to join a local retirement scheme, receive retirement protection under the Mandatory Provident Fund (MPF) Schemes Ordinance, Occupational Retirement Schemes Ordinance or other statutory pension plans.

In June, the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Bill 2022 was passed to abolish the practice of employers using the accrued benefits of their mandatory MPF contributions and vested benefits of other retirement fund contributions to offset employees' severance and long-service payments.

To assist employers, especially micro, small and medium enterprises, to adapt to the policy change when the abolition of the offsetting arrangement comes into effect on 1 May 2025, the government will implement a 25-year subsidy scheme to share out employers' severance payment and long-service payment expenses.

### **Reimbursement of Maternity Leave Pay Scheme**

The scheme fully reimburses employers for the additional four weeks' statutory maternity leave pay, following the extension of statutory maternity leave from 10 weeks to 14 weeks, subject to a cap of \$80,000 per employee.

In 2022, the scheme received 7,963 applications and disbursed reimbursement of \$173 million.

### **Entry of Non-locals for Employment**

#### **Top Talent Pass Scheme**

This scheme was launched on 28 December seeking to attract high-income talent and graduates from the world's top universities. The eligible talent are: people with annual income of \$2.5 million or above in the past year; graduates of the world's top 100 universities with at least three years of work experience in the past five years; and graduates of the world's top 100 universities in the past five years with less than three years of work experience. Successful applicants will be issued a two-year pass to explore opportunities and work in Hong Kong. By end-2022, 875 applications had been approved.

#### **Quality Migrant Admission Scheme**

Highly skilled or talented people are encouraged to settle in Hong Kong to enhance the city's economic competitiveness. Successful applicants need not secure an offer of local employment before relocating to Hong Kong. Of an annual quota of 4,000, 2,845 were allotted in 2022.

#### **Entry as Professionals or Entrepreneurs**

People with special skills, knowledge or experience of value to and not readily available in Hong Kong may apply to take up employment. Entrepreneurs who can contribute substantially to the economy are also welcome to apply to come to establish or join a business.

During the year, 25,263 professionals and entrepreneurs were admitted.

### **Supplementary Labour Scheme**

Employers may apply to the Labour Department to import workers to fill vacancies at the technician level or below. All applications are considered on a case-by-case basis. To ensure employment priority for local workers, employers must undertake a four-week open recruitment for each application. The department will then pass the application and its recommendation to members of the Labour Advisory Board for views, followed by the Commissioner for Labour for a decision.

As at December, 6,657 imported workers were working in Hong Kong under the scheme.

### **Foreign Domestic Helpers**

Foreign domestic helpers may be admitted to work in Hong Kong if they and their employers satisfy the eligibility criteria, subject to immigration control. Employers must offer their helpers the terms of employment stipulated in the government-prescribed standard employment contract, including free and suitable accommodation with reasonable privacy at the employer's residence, free food or food allowance in lieu, wages not lower than the minimum allowable wage set by the government, free passage from and to the helper's place of origin, and free medical treatment.

As at December, Hong Kong had 338,189 foreign domestic helpers. Filipino and Indonesian helpers respectively accounted for 56 per cent and 41 per cent of all the foreign domestic helpers.

### **Occupational Safety and Health**

The Labour Department strives to improve occupational safety and health standards in workplaces through inspection and enforcement, publicity and promotion, and education and training. The overall standards have improved through the years with the concerted efforts of employers, employees, contractors, safety practitioners and the government.

In 2022, there were 32,026 occupational injuries, a drop of 15.8 per cent from the 38,027 cases a decade ago. Over the same period, the number of industrial accidents fell 34.3 per cent from 11,820 to 7,762. There were 464 cases of occupational diseases and gas poisoning confirmed in the year.

### **Inspection and Enforcement**

The department monitors the occupational safety and health risk levels of various industries, and adopts a risk-based approach to inspect workplaces to ensure compliance with occupational safety and health laws, targeting high-risk activities, such as working at height, and organisations with poor safety records.

The department launches special enforcement operations on workplaces and trades that are more risk-prone, such as new works projects; repair, maintenance and alteration works sites; and waste management premises. Inspection with respect to heat stress control is strengthened in the summer.

In 2022, the department served 4,123 improvement notices on companies and other organisations, urging them to improve safety conditions promptly, and 689 suspension notices to stop work activities or the use of plant or substances that posed imminent risks of death or serious bodily injury to employees. The department secured 1,815 convictions, resulting in penalties totalling \$14.6 million.

### **Promotion and Education**

The Labour Department organises promotional activities and training courses to raise awareness of occupational safety and health and relevant laws among employers and employees in different industries. It produces animated videos to help the industry understand how some accidents happened and the work safety measures that can be taken to prevent recurrence. In 2022, the department held 1,768 courses, lectures and talks for 99,421 employees.

### **Occupational Health Clinics**

The department provides occupational health services to workers at its occupational health clinics in Kwun Tong and Fanling. The two clinics held 9,177 clinical consultations with workers in 2022.

### **Pilot Rehabilitation Programme for Employees Injured at Work**

The Labour Department launched the three-year Pilot Rehabilitation Programme for Employees Injured at Work in September. The programme adopts a case management approach to provide timely private out-patient rehabilitation treatment services for injured construction employees, with a view to facilitating their early recovery and return to work. As at December, 131 injured employees had participated in the programme.

### **Occupational Safety and Health Council**

The council fosters awareness on safety and health at work through training, promotion, consultancy, research and information services. In 2022, it organised over 2,000 online or physical courses and seminars for more than 110,000 participants. The council worked with the Labour Department to launch the Heart Caring Campaign to raise awareness on the risks of cardiovascular and cerebrovascular disease and promote healthy lifestyles among frontline workers in the construction and property management industries. It also launched a sponsorship scheme jointly with the department to subsidise small and medium enterprises in higher-risk industries to buy waist fans, with a view to reducing the risk of heat stroke among outdoor workers.

### **International Labour Affairs**

Hong Kong applies 31 international labour conventions of the ILO through comprehensive legislative and administrative measures.

Hong Kong takes part in ILO activities to keep abreast of international labour issues. In 2022, representatives of employers, employees and the government, as part of the People's Republic of China delegation, participated in the 110th Session of the International Labour Conference via video conferencing and attended the 17th Asia and the Pacific Regional Meeting.

## Social Welfare Services

In 2021-22, the Social Welfare Department's total recurrent expenditure was \$92.9 billion, of which \$60.3 billion, or 64.9 per cent, went towards financial assistance payments, \$23.6 billion (25.4 per cent) went into recurrent subventions to NGOs and \$4.1 billion (4.4 per cent) was spent on other payments for welfare services.

### *Services for Families*

Family services help preserve and strengthen the family as a unit, improve relationships among family members, enable individuals to prevent and handle personal and family problems, and assist families by providing suitable services to meet their needs.

Services for families in need are provided by the Social Welfare Department at three levels. At the primary level, the prevention of family problems is promoted through early identification, public education and publicity. A departmental hotline provides service information, counselling and other forms of assistance.

At the secondary level, 65 integrated family service centres and two integrated services centres, operated by the department and subvented NGOs, offer preventive, supportive and remedial family services.

At the tertiary level, 11 family and child protective services units provide specialised services for cases of domestic violence and child abuse, as well as child custody and guardianship disputes.

### *Services for Children*

At the year end, the department provided 3,928 places in residential child care services for children and young people in need of out-of-home care owing to family, behavioural or emotional problems. It also works with three NGOs accredited under the Adoption Ordinance to arrange local or intercountry adoption for children whose parents have abandoned or are unable to maintain them.

The department provides day child care services for parents who cannot take care of their children temporarily, and subsidises some standalone child care centres and child care centres attached to kindergartens to provide full-day child care services. At the year end, about 9,000 places out of 35,700 available at child care centres were government-subsidised. The department also funded another 450 occasional child care service places and 2,295 extended hours service places at these centres. In addition, it subsidises the Neighbourhood Support Child Care Project, providing 954 places for families to receive flexible day child care services from volunteers. The department also provides fee-waiving or fee-reduction subsidies for primary school students from low-income families to attend after-school care service. Ten mutual help child care centres were re-engineered to provide after-school care service for pre-primary children as at end-2022.

In the 2022-23 school year, the department subsidised 57 social work teams to provide services for 736 eligible pre-primary institutions to identify early and assist pre-primary children and families with welfare needs.

### *Services for Young People*

The department subsidises NGOs to provide people aged between six and 24 with preventive, developmental, supportive and remedial services. These services include 139 integrated children and youth services centres providing centre-based, outreach and school social work services to address young people's developmental needs. Eighteen of these centres offer outreach services at night to those who loiter at neighbourhood black spots to prevent them from going astray, and 19 youth outreach teams serve youths at risk and deal with juvenile gang issues. Five cyber youth support teams provide professional social work intervention, such as online and offline counselling, and form partnerships with other community stakeholders to foster cross-sectoral collaboration, to address the needs of at-risk and hidden youths.

In 2022, a total of 924 school social workers were provided for 462 secondary schools to help students with academic, social and emotional problems.

### *Juvenile Delinquents*

Five NGO-operated Community Support Service Scheme teams help young people who are put under the Police Superintendent's Discretion Scheme (PSDS), arrested youths and their peers with delinquent behaviour.

The Family Conference Scheme, run by the department and the police, helps juveniles who have been cautioned under the PSDS for a second time or are in need of the services of three or more parties. Social workers, police officers, and the teachers and parents of juveniles under the PSDS work together to assist the juveniles in rectifying deviant and unlawful behaviours and rejoining schools or work.

### *Drug Treatment and Rehabilitation*

The department subvents 13 residential drug treatment and rehabilitation centres and halfway houses, 11 counselling centres for psychotropic substance abusers and two centres for drug counselling. It regulates the treatment and rehabilitation centres and provides practical guidelines and professional advice on licensing requirements to safeguard the well-being of the drug-dependent residents.

### *District Support for Children and Youth*

The department provides financial assistance via the District Support Scheme for Children and Youth Development to address the developmental needs of disadvantaged children and young people aged 24 or below.

### *Services for the Elderly*

The government encourages elderly people to lead active and healthy lives, and offers community care and support services to help them continue living in their homes. The department provides subsidised residential care services for those who have long-term care needs but cannot receive adequate care at home.

The department's Opportunities for the Elderly Project encourages active ageing. It subsidised 494 programmes with government grants totalling around \$18 million in the 2020-22 phase.

Senior Citizen Cards allow holders to enjoy concessions, discounts and priority services provided by public and private organisations and government departments. There were about 1.42 million cardholders as at end-2022.

### *Community Care and Support*

The government provides subsidised community care and support services for the elderly ageing in place. The Social Welfare Department subsidises 92 home care services teams and 94 day care centres/units for the elderly, and there are 250 recognised service providers of home-based care services and/or centre-based day care services under the Scheme on Community Care Service Voucher for the Elderly. These subsidised services help over 60,000 elderly people each year.

### *Residential Care*

There are about 76,200 residential care places in Hong Kong, of which about 35,040 are subsidised by the government, including about 4,000 places available to Residential Care Service Voucher users. The government introduced the Residential Care Homes Legislation (Miscellaneous Amendments) Bill 2022 in May to enhance the quality of residential care homes and announced in December that it will introduce a scheme to allow residential care homes to import care workers with greater flexibility and more streamlined procedures.

### *Services for Persons with Disabilities*

Rehabilitation services are provided by government departments and NGOs to meet the different needs of persons with disabilities, and to help them develop their capabilities and integrate into society.

### *Pre-school Children with Special Needs*

At the year end, the department provided 1,980 integrated programme places in kindergarten-cum-child care centres; 2,274 places in special child care centres, including 122 residential places; 4,297 places in early education and training centres; and 10,074 places for on-site pre-school rehabilitation services for children with special needs. Small group homes for mildly mentally handicapped children and integrated small group homes provided 128 places for children with mild intellectual disabilities who were not receiving adequate care from their families.

Children with special needs on the waiting list of department-subvented pre-school rehabilitation services may apply for subsidised training provided by NGOs under the Training Subsidy Programme, which provided about 3,100 training places in 2022.

A pilot project launched in the 2020-21 school year provides support services at kindergartens and kindergarten-cum-child care centres. Six project teams provide training for children awaiting assessment by the Department of Health's Child Assessment Centres and children assessed as having borderline developmental problems at about 80 kindergartens or kindergarten-cum-child care centres participating in on-site pre-school rehabilitation services. The teams also provide consultation services to teachers and parents.

### *Day Training and Vocational Rehabilitation*

In 2022, day activity centres provided 5,808 day training places for persons with intellectual disabilities. The Social Welfare Department also provided 1,633 supported employment places for persons with disabilities to work in open settings under assistance, 432 places in the On the Job Training Programme for People with Disabilities, and 311 places for young people with disabilities or early signs of mental illness under the Sunnyway – On the Job Training Programme for Young People with Disabilities. For those not yet ready for open employment, the department provided 5,399 places in sheltered workshops and 5,648 places in integrated vocational rehabilitation services centres. Integrated vocational training centres provided another 453 places.

At the year end, the Enhancing Employment of People with Disabilities through Small Enterprise Project had allocated more than \$156 million to more than 30 NGOs for setting up 137 small businesses, providing over 960 job opportunities for persons with disabilities. The Marketing Consultancy Office (Rehabilitation) helps NGOs set up such businesses and manages the brand 'Let Them Shine' to promote products and services provided by persons with disabilities.

The Support Programme for Employees with Disabilities provides employers with up to \$40,000 per employee with disabilities to procure assistive devices and modify the workplace for these employees.

### *Residential Care Homes for Persons with Disabilities*

In 2022, the department provided 13,992 subvented residential places to persons with disabilities who were unable to live independently in the community, or whose families could not offer them adequate care. Another 1,264 residential places were provided under the Bought Place Scheme for Private Residential Care Homes for Persons with Disabilities.

### *Community Support*

The department provides support services for persons with disabilities living in the community, including persons in mental recovery, and their families and carers. These services include district support centres for persons with disabilities, day and residential respite services for persons with disabilities, occasional child care for children with disabilities, parents/relatives resource centres, home care services for persons with severe disabilities, integrated support services for persons with severe physical disabilities, day care service for persons with severe disabilities, a transitional care and support centre for tetraplegic patients, community rehabilitation day centres, integrated community centres for mental wellness, support centres for persons with autism, social and recreational centres for the disabled, and rehabilitation services for people with chronic illnesses. The Special Needs Trust Office provides reliable and affordable trust services for parents with sufficient assets to meet the long-term daily needs of their children with special needs.

### *Persons with Disabilities and Rehabilitation Programme Plan*

The Rehabilitation Advisory Committee's Persons with Disabilities and Rehabilitation Programme Plan, released in 2020, sets out strategic directions and recommendations to



address the service needs of persons with disabilities. The government accepts in principle the plan's strategic directions and will continue to implement the recommendations.

### ***Services for Offenders***

The department helps offenders reintegrate into the community and become law-abiding citizens through community-based and residential services. Probation officers assess and report to the courts the offenders' suitability for probation orders and/or community service orders, and supervise those under these orders. They also prepare reports on long-term prisoners and petitioners being considered for early release.

In 2022, the department helped 3,044 offenders through the probation service and arranged for 3,077 offenders placed on community service orders to perform unpaid community work under supervision.

The Enhanced Probation Service adopts a more focused, structured and intensive approach to help convicted young drug offenders aged 25 or below. Tuen Mun Children and Juvenile Home, with 388 places, offers educational, vocational and character training for juvenile offenders and for children and young people with behavioural and family problems.

The Social Welfare Department and the Correctional Services Department jointly run the Young Offender Assessment Panel, providing the courts with professional views on sentencing options for offenders aged 14 to 25, and the Post-Release Supervision of Prisoners Scheme, which helped 836 discharged prisoners rehabilitate and reintegrate into society in 2022. The Social Welfare Department also funds an NGO to provide hostel and support services for former offenders.

### ***Medical Social Services***

Medical social workers stationed in public hospitals and some specialist clinics provide support to patients and their families with welfare needs, to facilitate their recovery and reintegration into society. The department's medical social workers dealt with about 197,240 cases in 2022.

### ***Clinical Psychological Services***

During the year, 47 clinical psychologists from the department and NGOs provided 2,627 psychological assessments and 16,478 treatment sessions for 2,747 people, while six clinical psychologists of the Central Psychological Support Service (Pre-school Service) made 759 consultation visits to pre-school rehabilitation centres and four clinical psychologists of the Central Psychological Support Service (Adult) made 526 consultation visits to adult rehabilitation centres.

## **Social Welfare Financial Assistance**

### ***Working Family Allowance Scheme***

The Working Family Allowance Scheme aims to relieve the financial burden of low-income working households, especially those with children. In 2022, around 121,900 applications were approved, granting allowances of \$1.97 billion to about 68,700 households or over 226,000 individuals, and covering about 88,900 children and youths.

## *Social Security*

The Comprehensive Social Security Assistance (CSSA) Scheme and Social Security Allowance (SSA) Scheme form the mainstay of Hong Kong's social security system, supplemented by three accident compensation schemes: the Criminal and Law Enforcement Injuries Compensation Scheme, Traffic Accident Victims Assistance Scheme and Emergency Relief Fund. These schemes are administered by 42 social security field units and two centralised offices.

The department prevents and combats fraud and abuse of social security to preserve the system's integrity and ensure the proper use of public funds. It receives reports from the public via various channels. In 2022, 27 abusers were jailed, bound over, ordered to perform community service, fined or given warnings.

### *Comprehensive Social Security Assistance*

The non-contributory CSSA Scheme gives cash assistance to people in financial hardship to meet their basic needs. It is means-tested and applicants must satisfy a residence requirement. As at end-2022, there were 206,969 CSSA cases involving 287,938 beneficiaries. Total expenditure in 2022 was about \$22.1 billion, a decrease of 4 per cent from the previous year.

The Portable CSSA Scheme allows elderly people who have obtained CSSA continuously for at least a year in Hong Kong to continue receiving it in Guangdong or Fujian province if they choose to reside there afterwards.

### *Social Security Allowance*

The non-contributory SSA Scheme comprises Old Age Living Allowance (OALA); Old Age Allowance (OAA); Disability Allowance (DA), consisting of Normal and Higher DA; and the Guangdong Scheme and the Fujian Scheme.

The OALA supplements the living expenses of elderly people aged 65 or above who have financial needs. The Normal and Higher OALAs were merged from 1 September. The OAA and DA provide non-means-tested cash allowances to elderly people aged 70 or above and people with severe disabilities respectively. The Guangdong and Fujian schemes provide monthly OAA and OALA to eligible elderly people who choose to live in Guangdong or Fujian respectively.

The SSA Scheme recorded 1,186,415 recipients as at end-2022. Total expenditure was about \$42.1 billion during the year, an 8 per cent increase from 2021.

### *Relief Measures*

In accordance with the 2022-23 Budget, the government provided an additional half-month payment of the standard rate to eligible CSSA recipients and an additional half-month allowance to eligible recipients of SSA and Working Family Allowance.

### *Food Assistance*

The Short-term Food Assistance Service provides low-income persons who have temporary difficulties in meeting their basic food expenditure with short-term and basic food items for generally not more than eight weeks each time. A total of 62,864 people benefitted in 2022.

### *Accident Compensation*

The non-means-tested Criminal and Law Enforcement Injuries Compensation Scheme offers financial help to those injured, or to their dependants in the case of death, as a result of a crime of violence or by a law enforcement officer using a weapon in the execution of his duty. It paid out \$6.52 million in 2022.

The non-means-tested Traffic Accident Victims Assistance Scheme provides financial assistance to people injured in road traffic accidents, or to their dependants in the case of death, regardless of who is responsible for the accident. It paid out \$410 million in 2022.

### *Emergency Relief*

Food or a cash grant in lieu of food and other necessities are given to victims of natural or other disasters. Grants from the Emergency Relief Fund are paid to eligible victims, or in the case of death to their dependants. Emergency relief was given to 100 victims of nine disasters in 2022.

### *Social Security Appeal Board*

The board considers appeals against the department's decisions on CSSA, SSA and Traffic Accident Victims Assistance. It ruled on 202 appeals in 2022.

## **Funding**

### *Subventions*

As at end-2022, the Social Welfare Department provided recurrent subventions to 169 NGOs to operate social welfare services in accordance with the Funding and Service Agreements. NGOs may also seek grants from the Lotteries Fund to meet their non-recurrent commitments.

A task force chaired by the Director of Social Welfare completed its review on enhancing the Lump Sum Grant Subvention System and released its review report in 2021, setting out 30 recommendations. The department has been taking forward the recommendations in phases starting from 2022-23.

### *Partnership Fund for the Disadvantaged*

The fund promotes cross-sectoral collaboration in social welfare projects by providing grants that match donations made by businesses. A portion of the fund is dedicated to providing matching grants to implement more after-school learning and support programmes for primary and secondary students from grassroots families. In 2022, about \$49 million was allocated for 48 welfare NGOs and schools to implement 63 welfare projects.

### *Child Development Fund*

The Child Development Fund provides children from disadvantaged backgrounds with personal development opportunities. Through the fund's projects, participating children draw up and implement their own development plans under guidance, learn to accumulate savings and cultivate intangible assets, such as a positive attitude, personal resilience and social networks, thus helping their long-term development. In 2022, there were 75 ongoing NGO-run projects and 65 school-based projects, of which 55 projects involving more than 4,400 new participants were launched.

### ***Innovation and Technology Fund for Application in Elderly and Rehabilitation Care***

This \$1 billion fund subsidises eligible elderly and rehabilitation service units to procure or rent and try out technology products to improve the quality of life of service users, and reduce the burden and pressure on care staff and carers. Since September, the eligibility of the fund has been extended from subsidised service units to all private or self-financing residential care homes for the elderly and persons with disability. By end-2022, grants totalling over \$470 million had been approved for about 1,500 service units to procure and rent over 12,000 technology products.

### ***Arts Development Fund for Persons with Disabilities***

This fund subsidises eligible organisations to organise arts activities and training programmes to enhance the arts knowledge of persons with disabilities, foster their interest in the arts and develop their potential. As at 2022-23, grants totalling about \$57 million had been approved for 41 organisations to implement 95 arts projects.

## **Advisory Bodies**

### ***Social Welfare Advisory Committee***

The Social Welfare Advisory Committee reviews social welfare services and advises the government on all matters of social welfare policy. In 2022, the committee advised the government on social welfare initiatives announced in the Policy Address and on suggestions about 2023-24 welfare priorities offered by the social welfare sector and other advisory bodies.

### ***Commission on Children***

The Commission on Children provides overall steer on children initiatives; sets policy directions, strategies and priorities related to the development and advancement of children; and oversees their implementation. The commission conducted quarterly engagement sessions to canvass the views of children and stakeholders on the themes of child protection, specific needs, and children's health and education in 2022, with around 250 participants. In 2022-23, 30 projects were approved under the commission's Funding Scheme for Children's Well-being and Development.

### ***Elderly Commission***

The Elderly Commission advises the government on policy and services for the elderly. Its recommendations, set out in the Elderly Services Programme Plan, are being implemented by the government. In the 2022-23 school year, about 200 elder academies in primary and secondary schools and post-secondary institutions were operating under the Elder Academy Scheme, conducted jointly by the commission and the government.

### ***Rehabilitation Advisory Committee***

The Rehabilitation Advisory Committee is the principal government advisory body on the well-being of persons with disabilities and rehabilitation policies and services. The committee helps the government promote and monitor the implementation of the United Nations Convention on the Rights of Persons with Disabilities in Hong Kong. It also collaborates with different sectors in promoting an inclusive culture.

### *Commission on Poverty*

The Commission on Poverty advises the government on matters of targeted poverty alleviation and promotes cross-sector collaboration to address poverty in a targeted manner. It oversees the operation of the Community Care Fund and the Social Innovation and Entrepreneurship Development Fund to plug the gaps in the existing system and promote social innovation to tackle poverty.

### *Websites*

Child Development Fund: [www.cdf.gov.hk](http://www.cdf.gov.hk)

Commission on Children: [www.coc.gov.hk](http://www.coc.gov.hk)

Commission on Poverty: [www.povertyrelief.gov.hk](http://www.povertyrelief.gov.hk)

Continuing Education Fund: [www.wfsfaa.gov.hk/cef](http://www.wfsfaa.gov.hk/cef)

Elderly Commission: [www.elderlycommission.gov.hk](http://www.elderlycommission.gov.hk)

Employees Retraining Board: [www.erb.org](http://www.erb.org)

Interactive Employment Service: [www.jobs.gov.hk](http://www.jobs.gov.hk)

Labour and Welfare Bureau: [www.lwb.gov.hk](http://www.lwb.gov.hk)

Labour Department: [www.labour.gov.hk](http://www.labour.gov.hk)

Occupational Safety and Health Council: [www.oshc.org.hk](http://www.oshc.org.hk)

Social Welfare Department: [www.swd.gov.hk](http://www.swd.gov.hk)

Working Family Allowance Scheme: [www.wfa.gov.hk](http://www.wfa.gov.hk)