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**A STUDY ON FAMILY IMPACT ANALYSIS AND**  
**CASE STUDIES:**  
**PUBLIC RENTAL HOUSING AND**  
**COMPREHENSIVE SOCIAL SECURITY**  
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**A STUDY ON**

**FAMILY IMPACT ANALYSIS**

**AND TWO CASE STUDIES:**

**Public Rental Housing**

**Comprehensive Social Security Assistance**

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# Chapter 1

## Introduction

### Background

1. This study was commissioned by the Central Policy Unit, HKSAR Government. It began in September 2007 and data collection was completed in December 2007.
2. The objectives of this study are:
  - to identify the possible areas in two specific cases, namely, Public Housing Policy and Comprehensive Social Security Assistance (CSSA), that may have an impact on families of Hong Kong, and
  - to examine the possible mechanism, framework and methodology for family impact analysis<sup>1</sup> (FIA) in the policy formulation process.

### The History of FIA

3. FIA evolved from a U.S.A. Congress Subcommittee Hearings on Children and Youth in 1972. It gradually took shape in the various state initiatives in the U.S. and in Canada. Other countries gradually picked up similar policy discussion.
4. The United States Family Impact Seminar was formed in 1976 to explore the “substantive, political and administrative feasibility” of requiring family impact statements (Ooms 1995). It continues to thrive in several American states, including California and New York, as a forum for policy analysts and policy-makers.
5. Family impact analysis was taken up by the Study Commission of the Family in the United Kingdom which began producing annual “family policy reviews” of parliamentary legislation in 1978.
6. The Australian state of South Australia in 1980 adopted a policy of requiring all proposed changes in policies be accompanied by a family impact statement (Stuart, 1984); the state of New South Wales in Australia advocates the establishment of the Family Impact Commission since 1991<sup>2</sup>. At federal level, Prime Minister John Howard promised the

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<sup>1</sup> The terms “family impact analysis” and “family impact assessment” are frequently used quite interchangeably. While, in this paper, the term FIA is used to refer to “family impact analysis”, whenever we are referring to the literature or overseas experiences, we will use whatever term, i.e. “family impact assessment” or “family impact analysis” that the original text is using.

<sup>2</sup> Retrieved from <http://www.parliament.nsw.gov.au/prod/parliament/nswbills.nsf/V3BillsListAll?open&vwCurr=v3allbytitle&vwCat=f> on December 30, 2007.

new Family First Party in the 2004 election that the government would include a “family impact statement” in each Cabinet submission. This undertaking has not been materialized, but a start was made by the Department of Family and Community Services in developing a framework for such Family Impact Statements (Edgar, 2005).

7. In New Zealand, the Families Commission was established under the Families Commission Act 2003. One of the specific functions under the Act is to ‘looking at the impact of current and proposed government policies on families’<sup>3</sup>. A methodological guide of a New Zealand family impact assessment checklist approach was then developed shortly in 2005 (Ooms, 1995).
8. In Hong Kong, a motion related to family policy was raised in the Legislative Council<sup>4</sup> on May 16, 2001. Though out of the 42 members present in the meeting 23 supported the motion, yet owing to the counting of vote system in the Legislative Council, the motion was negated. In the motion, the concept of FIA was introduced: “the Government should introduce a ‘family impact assessment system’, with a view to assessing the impact of existing and future social policies, legislation and measures of the family”.
9. In the Policy Address 2006, the Chief Executive announced to study the possibility of setting up a Family Commission. A Steering Committee on Study of Family Commission was set up. It examined, among others, the relevance and feasibility of conducting family impact assessment exercises. In the Policy Address 2007, the Chief Executive announced the setting up of the Family Council.

### **The Concept of Family**

10. Compound by the variation in moral values within the community, defining families have become more and more difficult as the circumstances of forming and dissolution of unions of adults by marriage or co-residence have becoming more and more diverse. In this study, we included the psycho-social dimension, the structural dimension and the ecological perspective.

#### Psycho-social dimension

11. Looking at family in the psycho-social dimension, the concept of family is relatively broader, including the following elements:

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<sup>3</sup> Retrieved from <http://www.familiescommission.govt.nz/node/5/view> on December 30, 2007.

<sup>4</sup> The motion was proposed by C.K. Law, the then Legislative Council Member and the principal investigator of this research project.

- At least two persons living together for the purpose of taking care of each other.
- Sense of identity – members of the unit identifying themselves as a member of a “family”. This sense of identity is indexed by individual inclination, language and living habits.
- Sense of permanency – aims at living together without a time limited plan.

### Structural dimension

12. On the other hand, for practical reasons, in social policy, families are mostly seen in its structural form. The structural dimension of families facilitates the definition of target and eligibility within social policies.

13. A family is a household with members related by blood or marriage. A household is composed of individuals who are living together within part or the whole of a living quarter<sup>5</sup>. Family defined by structure can also be classified into different family types including

- Multiplicity of family nuclei – e.g. nuclear families, vertical and horizontal extended families, blended families<sup>6</sup>, etc.
- Family life cycle – e.g. family with young children, empty-nested families, etc.
- Child-focus – e.g. single child family, childless family, etc.
- Marriage-focus – e.g. single-parent family, step-family, etc.
- Other demo-socio-economic characteristics – e.g. racial (such as ethnic minority family), residence/migration status (such as family with new-arrival members), socio-economic status (such as lower-income family), employment (such as jobless family, dual-earner family), age (such as elderly couple family), etc.

### Ecological perspective

14. We look at families as they exist in the real world, i.e. in the context of their interaction with friends, relatives, neighbors, the various institutions of society such as churches, organizations, schools and government, etc. The welfare of a family depends very much

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<sup>5</sup> These definitions of family, household and living quarter, though in the majority of the cases are appropriate, there are many exceptions and debates. For example, in public housing estates in Hong Kong, some families are split into 2 separate living quarters within the same building or even different buildings within the same estate. While co-residence is a key variable in defining household, many people consider members living in separate households as members of the family. In countries, where divorced couples have shared custody of their children, using households as a basic unit to define families would be even more debatable for this type of residence arrangement for children of divorced parents. However, extending the structural definition of families to include members living in different households, policy analysis would become quite impossible as the concept of families and kinship becomes hardly distinguishable.

<sup>6</sup> The joining of two single-parent families by marriage

on the ecological environment that they are situated in. Living in a remote district with few job opportunities would imply that the breadwinners would have to travel to distanced place to work and thus their time spent with their family members would be substantially reduced. Such arrangement would have an impact on the division of work and subsequently role of individual member within the family and ultimately the relationship among family members.

### **The Nature of FIA**

15. Many current social problems and the policies dealing with them, such as poverty, unemployment, homelessness, tax, health, education, transportation, have important family dimensions. Whether intended or not, the components and dimensions of government policy; the development and implementation of policy can and does have an enormous impact on the family structure and the quality of family life.
16. While most policymaker would agree that families are critically important to our society, law or policies that are significantly related to family lives are usually developed without considering them. Social policies are usually made to achieve certain social goals and yet the policy may have an unintended impact on families. For instances, retirement protection programme such as the Mandatory Provident Fund aims at protecting the financial needs of a retired person, yet on the other hand, it will reduce the need for intergeneration support and possibly the intergeneration relation within a family. Such an unintended consequence can be positive or negative. To conduct FIA is to ask “what will this policy do to families?” The purpose is to promote an increased focus on families in the policy making process to systematically ask what the impact of policies might be on families. It allows the use of family perspective in asking the right questions in sufficient depth to discover the subtle and often unintended consequences on families.
17. FIA increases awareness of these direct and indirect policy impacts on diverse types of families. It strives to strengthen the positive impacts of government policy on families and to avoid unintended negative consequences. The aim is to ensure that policies and services are well placed to meet their objectives in order to achieve good outcomes for individuals, families and society, and the goal is to identify, document, and make public the effects of policies on families (Bane, 1978)
18. While different policies have their own objectives and at times the ways of achieving such objectives can have negative consequences on other policies, such as sustainable development, economic policies such as free and fair competition, etc. and the impact on

family is just one of these policy areas. The importance of having a FIA, as well similar instruments such as Environmental Impact Assessment, is to make such impact explicit and to assist the policy makers to balance the various goals including those related to the family before making a decision. In the case where a negative consequence is inevitable, mitigation measures can be designed before such a policy is implemented.

19. To achieve the above purpose, FIA requires both a mechanism and an instrument.
20. The mechanism of a FIA includes
  - i) the principles and procedures adopted during the policy formulation and/or review processes to enable the government to assess the possible impact of the relevant policy on families;
  - ii) an institutional setup such as operation unit, committee or commission to oversee the process, and to review the mechanism and the instrument adopted.
21. The instrument of a FIA can include:
  - a qualitative framework (e.g. in a form of a checklist) spelling out the areas that should be examined
  - a quantitative framework (e.g. a set of indicators) and the methodology required to obtain quantitative assessment.
22. A more detailed discussion on the framework and the methodology of FIA was described in the subsequent chapters of this report.

### **The Possible Impact of Public Policy**

23. The impact of public policy on families can be studied with respect to:
  - the impact on different types of families as defined by the various structural variables
  - the types of impact as classified by social, cultural, legal, economic, and with respect to the various family functions, including:
    - Tangible support function – the provision of financial resources to meet the various needs of family members,
    - Psycho-social function– the provision of mutual psychosocial support among family members, e.g. meeting security, companionship, social, and emotional needs.
    - Care-taking function – looking after one another physically at times of difficulty and sickness
    - Nurturing, socialization and education function – this function is relevant to



families with children

- Management function – the managing of various internal/external, formal/informal resources to meet the needs of family members which at times can be conflicting or competing.
- Family line function – continues the ancestral line
- the impact on the inequalities and power dynamics of families, and the distribution of resources within the family
- the impact at different life-stages of families, e.g. formation, nurturing next generation, breaking-up and reconstitution, and empty-nested
- the impact on the family unit with other social systems – e.g. kinship, neighbourhood, labour market, etc.
- the characteristics of the impact, e.g. short-term versus long term, direct versus indirect, intended versus unintended

### **Articulation of Values**

24. All policies are shaped by values of the community and the policy makers. Yet, values vary among individuals and groups within the society and at times values are in conflict. The pre-requisite for resolution of value conflict is the explication of values including their variation and conflicts.

25. The demand for family policy and FIA is, in itself, an articulation of values, vis-à-vis the importance of family within our society. The mechanism of FIA reflects the relative importance or centrality of family in our public policy and the choices of elements to be included in the instrument for FIA are also indicators of what issues related to family that we would consider as important. Thus, it is also important in the design of the mechanism and methodology of FIA, the social values behind are clearly explicated and articulated. As the society changes, the relative importance of the relevant social values will also change. Making such values explicit would enable future review and updating to keep abreast with the changes in our society. Furthermore, in the formulation or review of public policies, consideration of family values is possibly only one of the many value considerations. Policy making frequently requires balancing of various values which may be conflicting and considerations of mitigation measures to reduce the possible negative impact would be needed. The articulation of the possible conflicting values would be a prerequisite to resolve such conflicts and identification of mitigation measures.

26. There are two central values to the discussion in this study:

- we have a basic interest in the well-being of families and believe that public policies should support families rather than hinder them, and
- we believe that families should have the opportunity to be involved in policies and programs that affect their members; that their diversity should be respected, and that they be provided with broadened options and opportunities to make appropriate choices for themselves.

27. The first value premise mentioned above is the basic tenet of having a FIA in place. Given the diversity in family forms and family values within the community, the second value premise is a proviso to caution policy makers that no matter how the policies are made with good intentions, they may still be inconsistent to the welfare or preference of individual families and these families should always be given an option to made the final choice for themselves.

### **Possible areas of policy that may have impact on family**

28. Possible public policy areas that may have an impact on family include social welfare, labour, tax, housing, education, urban planning and urban renewal, health, immigration, cultural, sports, leisure and many others. This study focused on two particular cases, namely, Comprehensive Social Security Assistance (CSSA) and Public Housing policy.

### **Methodology**

29. Basing on literature review on the mechanism and instruments of FIA in other countries, a draft framework for the FIA to be conducted in this study would be constructed.

30. A desk-top analysis on the two cases (Public Housing and CSSA) using the draft framework would be conducted initially by the research team. Initial lists of possible relevant areas within the existing policies of the two cases would be identified by the research team.

31. In each of the two policies (CSSA and public housing), experts (e.g. academics, professional bodies, advocacy groups, government officials) were identified and interviewed. The interviewees were asked to identify the possible relevant elements of each policy that may have an impact on families of Hong Kong and their views towards these elements, and in particular, the impact on families. At the end of these interviews, the lists of possible areas of policies within each policy that may have an impact on family were revised.

32. In each of the two policy areas, focus groups composed of academics, professional bodies, advocacy groups, political parties, and grassroots organizations were conducted:
- to examine the possible areas of impact of the two policies
  - to identify other possible value considerations that may be consistent or conflicting with family values in policy making within each policy.
33. During the interviews and focus groups for public housing, the participants had focused their attention on public rental housing under the Housing Authority and very little attention was paid to the home-ownership scheme and the role played by the Housing Society. In this report, we will, thus, primarily focus on public rental housing under the Housing Authority instead of public housing in general.

## Chapter 2

### The FIA Framework

34. A Family Impact Analysis (FIA) framework is required to organize and inter-relate the complex and fragmented body of family-related data and research, policy and program information. It also provides a set of value principles and tools—to serve as benchmarks—to conduct an evaluative assessment to determine if there are any positive and negative impacts (Ooms 1995). The following sections of this report provide a brief review on the various frameworks that we can obtain from the literature review.
35. The second Director of the US Family Impact Seminar (FIS), Theodora Ooms (1984) listed six components that are essential in the development of family perspective in the mainstream policy process
- Sensitivity to family patterns
  - Understanding of family functions and roles
  - An appreciation of family involvement and family power
  - Family impact evaluation and policy analysis
  - Professional family-oriented training
  - Value issues
36. For each of the components, there is a need to be informed by ongoing demographic, economic and social data on family trends for a variety of families and life-stages and by research knowledge about family functioning and the interaction of families with outside systems and institutions. The awareness of the ways in which families may be both causes and effects of individual well-being with respect to health, education and work productivity is essential. A family perspective is also inevitably tied to value judgments and thus it needs to engage with the basic value assumptions and goals of policy in a transparent and balanced fashion.
37. A FIA framework helps to organize this diverse and huge volume of information. Ooms (1995) proposed a framework that has several core components summarized in a schematic form as follow. These “tools” can be used as checklists, to identify the factors or components that need further detailed study and exploration.
- Family Diversity and Contexts: A table listing out the wide range of family forms, types, and contexts that have relevance for the assessment of policy and programs
  - Family Functions and Roles: A table listing out the primary social functions of families that may be affected by policies and programs (Any particular program or policy may aim to directly affect one of these functions but may also have indirect

effects on other functions.)

- Policy and Program Implementation Components: A table summarizing the source, level, and dimensions of implementation of the policy, which determine the way the policy affects families
- Family Impact Questions: Basing on some of its early work in defining values and principles, the US Family Impact Seminar in collaboration with the Family Criteria Task Force and the Consortium of Family Organizations (COFO), developed a family impact checklist with a set of guiding principles under each a set of family impact questions which help to frame the design of the study or analysis. The FIA checklist constructed for the present study is modeled after this approach.

### Procedure of conducting FIA

38. Ory (1980) developed a 6-step-procedure from evaluation research methodology, social impact assessment literature and earlier attempts at defining the process of family impact assessment. Gross and others (retrieved 2007) introduced 8-steps version that was adapted from the writing of Ooms and Preister (1988)..

<b>Ory's 6-step-version</b>		<b>Gross's 8-step-version</b>	
1	Identify policy or program for analysis	1	Select a Policy or Program
2	Identify family impacts to be examined	2	Determine Which Family Types Might be Affected
3	Specify the relationship between the policy/program and the hypothesized family impacts	3	Identify Relevant Family Functions
	---	4	Examine Implementation of the Policy or Program
4	Design and implement family impact research	5	Select Family Impact Questions
5	Assess family impacts of each policy/policy components	6	Gather and Review the Data
	---	7	Develop Policy Implications
6	Evaluate the findings and prepare policy recommendations	8	Apply the Results

39. Conceptually, we can identify three core components in the two versions, namely, the selection of policy, the identification of family impacts, and the evaluation of the impacts.

### Selection of policy/program

40. A FIA can be initiated when there is a need to assess the family impact of an existing or

proposed policy/program. In deciding whether a particular policy/programme should be selected, we have to consider two factors, namely, relevance and significance. For relevance, it is whether the policy has goals explicitly related to the family, or whether the policy will have a probable impact on families. For significance, it is related to the possible number of families that may be affected and the salience of the possible family impact can be.

### Identification of family impacts

41. The central task is to specify expected family impact, both intended and unintended consequences, on the family structure or functioning for the target population. Target population can be identified in terms of their economic, social, and cultural characteristics as well as by key family variables like family type and life cycle stage.
42. In assessing the family outcomes, one can ask if and how a selected policy/program will affect:
  - Family composition variables such as marital status or parental preferences
  - Socio-cultural factors like the family's employment and financial status
  - Family functioning tasks such as the family's ability to take care of and nurture its members; or, does the policy change family decision making and division of labor among its members or affect the level of family cohesion
43. The process involves the development of hypotheses about the causal links between the policy and family outcome. Hypotheses can be derived from several sources:
  - One's own personal or professional experience
  - Comprehensive review of the literature, both academic literature and the media
  - Knowledge about human behaviour with respect to psychological, sociological, cultural, and economic aspects
  - Conduct a poll or focus group with informed professionals from relevant disciplines and stakeholders
44. We have to emphasize the importance of the social, cultural, economic and political environment in which the policy and families are interacting. Moreover, it is essential to note that while there is basically no such thing as an "average family", all families are different and there are a great variety of types of families and a diversity of values and human judgment. Different people react to policy differently. While in many theories, such as economic theories, assuming human beings as rational, human beings do react to policies in a vast variety of mixture of emotions and cognitions, both affected by their

unique combination of belief and value systems. The family impact analysis needs to identify effects of these relevant external factors and the variation in human behaviour to identify the possible policy effects.

45. An important part of the analysis is related to both the whole and the parts. To identify the possible impacts of a policy, we have to “tear” the policy apart into its finest components. We have to examine the possible impact of each component, the various possible combinations of these components, and the policy as a whole.

#### Evaluation of the impacts

46. The evaluation of impact has several dimensions, namely, principles and criteria, justifications, and judgments.

47. The development of a set of principles and criteria of evaluating policy is of primary importance. The set of principles is the codification of the values that a society has on families. While there are variations in values among members of a society, the set of principles spells out the core values of the society and even among those who hold different values would recognize that these are the core values of the society. The set of criteria is the codification of the prominent belief system of a society about how the principles can be achieved or realized. While, from an academic perspective, the set of criteria should be formed on the basis of established knowledge, it is not always possible. The prominent belief system of a society is usually a mixture of established knowledge and common beliefs constructed and evolved within the social-cultural context of a society. For the purpose of this study, a set of principles and criteria derived from the literature and to the best of the knowledge of the research team was proposed and were set out in the FIA checklist as described in Chapter 4.

48. The justifications for the possible presence of impact can be derived from
- Anecdotal evidence provided by stakeholders (Normally, to assess the validity of such evidence, the test of logical consistencies or existence of collaborative evidence would be applied.)
  - Both qualitative and quantitative evidence obtained either from existing empirical data or from studies done specifically for the FIA
  - Theoretical justifications that can be derived from established knowledge.
49. Value judgment is always required to determine if the impact is positive, neutral, or negative. Again, as value within a society is seldom consensual, value judgment made

in the context of a FIA, requires latitude and the consideration of the possible variation in values. Furthermore, what is good for an individual family may not be good for the society as a whole. There is no mechanical rule available or can be constructed to resolve such variations or contradictions. The final judgment in such circumstances hinges on the community engagement process of policy making and the mechanism adopted in the FIA.

50. A FIA may not, but often does not, result in overwhelming support or opposition to a program or policy. Typically, the analysis identifies several ways in which a policy or program supports families and others ways in which it does not. After completing the analysis, policy implications can be drawn regarding the likely effects of the policy or program and its implementation on specific types of families and certain family functions. In the case analysis in this study, the above would be illustrated.
  
51. For a FIA to be constructive, it is necessary to compare the advantages and disadvantages of alternative policy choices in terms of the various criteria developed earlier in the FIA process. The outcome of such comparison would assist the final policy decision and the design of targeted mitigation measures.



## **Chapter 3**

### **The Methodology of FIA**

52. There is a variety of methodologies applicable to family impact analysis (FIA). Some analyses involve generation of new data while some analyses make use of information already collected for other purposes. The complexity of analysis can range from the study of the impact of a specific policy on a particular family variable to the investigation of complex interrelationship between multiple policy/program factors and family impacts (Ory, 1980). Conceptually, there are three main types of methods adopted in different countries, namely, FIA checklist, family impact seminars, and family impact statements on policy paper in the policy formulation process (e.g. Cabinet papers).

#### **FIA checklist**

53. The checklist tool for assessing the impact of policies on families provides guide for governments seeking to anticipate the positive and negative effects of policies and programs on families. The Family Criteria (Ad Hoc) Task Force, comprised of politically diverse members from the US Consortium of Family Organizations, devised the checklist principles and questions through a one-year-long consultative process (Ooms and Preister 1988; Bogenschneider 2002). Widely used to assess the impact of policies on family stability, family relationships and family responsibilities, the checklist includes six basic principles and 34 specific questions about families that serve as a measure of how sensitive to and supportive of families, policies are (Ooms and Preister 1988).

54. The principles proposed include:

- i) Policies and programs should aim to support and supplement family functioning and provide substitute services such as foster care only as a last resort.
- ii) Policies and programs should encourage and reinforce marital, parental and family commitment and stability especially when children are involved.
- iii) Policies and programs must recognize the interdependence of family relationships, the strength and persistence of family ties and obligations, and the wealth of resources that families can mobilize to help their members.
- iv) Policies and programs must treat families as partners when providing services to individuals and as an essential resource in policy development, program planning and evaluation.
- v) Policies and program must acknowledge and value the diversity of family life.
- vi) Families in greatest economic and social need, as well as those determined to be most vulnerable to breakdown, need to be included in government policies and

programs.

55. Each principle is accompanied by a series of family impact questions. For instance, the family diversity principle 5 asks a set of questions very relevant to assessing impacts on diverse families in Hong Kong.

- How does the policy affect various types of families?
- If the policy targets only on certain families, for example, only employed parents or sole parents, what is the justification? Does it discriminate against or penalize other types of families for insufficient reasons?
- How does it identify and respect the different values, attitudes and behavior of families from various racial, ethnic, religious, cultural and geographic backgrounds that are relevant to program effectiveness?

#### Purpose of the checklist

56. One of the purposes of the checklist tool is to make explicit the trade-offs in different policy options. For example, in the context of Hong Kong, the residence requirement of CSSA states that to be eligible, the person must have been a Hong Kong resident for at least seven years. This implies certain differential constraints on different family types, like families with new arrivals. Following family diversity principle 5, the eligibility criteria may not be consistent with the value of respecting diversity in families. Furthermore, it may also be in conflict with principle 4 that intends policies to support vulnerable families. On the other hand, the residence requirement is a response to the public concern and debate on the possibility of CSSA attracting potential welfare recipients migrating to Hong Kong and the possible financial burden on the welfare budget. The checklist of principles will enable such possible value conflicts to be explicated.

57. The checklist method can also include three other assessment tools designed to assist family impact analysis and to identify areas for more detailed study, namely:

- The Family Diversity and Contexts tool: the tool identifies the range of family forms, socio-economic characteristics, life cycle stages and contexts that have relevance for the assessment of policy and programs.
- The Family Functions and Roles tool: it describes five primary social functions of families that may be directly or indirectly, intentionally or unintentionally affected by policies and programs.
- The Policy and Program Implementation Components tool: it summarizes the

sources and points of intervention as well as the dimensions of implementation that may affect families.

58. The last feature of the family impact checklist tool is particularly insightful because it recognizes that the nature of the impact on families (for instance, the duration and severity of the impact) may depend on the policy source or implementation. For example, a family impact analysis of maternity services in New Zealand might find that there has been a decline in general practitioner providers — and thus maternity choice — and a reduction in maternity beds in public hospitals (Jacqui 2005). This analysis seeks to identify the sources of the government failure in the design and implementation of the policy. The sources might include fiscal disincentives for general practitioners implicit in the policy design and the assumption of the service model that mothers who have normal deliveries do not require hospitalization. The sources of failure may also reflect problems with the implementation process such as budgetary rationalization at the central government and district health board levels, and the practices of professional midwives or lack of cooperation between general practitioners and midwives with respect to maternity care.

#### The Alberta experience: Family-friendly community checklist

59. Based on the US family impact analysis checklist, the Premiers Council (1992) in Alberta, Canada developed a “Family Policy Grid” to assess the family impacts of all government-proposed legislation. Like the US family impact assessment checklist, the family policy grid is a desktop tool that sets out eight family-centered principles and their rationales, and a number of specific questions consistent with each principle to assess the impacts of any government policy. The fact that Alberta was able to adapt the checklist developed by the US consortium to reflect their own province’s values and concerns suggests that the tool is relatively flexible and open to revision for different policy areas and jurisdictions.

60. From this policy tool, the *Family-Friendly Community Checklist* (Premier’s Council In Support of Alberta Families, 1994) was developed to raise the profile of families and their needs and improve support for families by evaluating the impact of different aspects of the community on families and family life. The checklist tool facilitates community partners in self-assessing how a community rates in “family-friendliness” of its policies, programs and practices. It is designed around four hallmarks of a strong family: stability; health; self-sufficiency; and safety. Survey questions probe public attitudes to different aspects of these four values in terms of 12 categories that include schools,

neighbourhoods, parks, work places and family service agencies. Citizens answer the survey questions along a 0-5 scale. This bottom-up approach to assessing the impact of policies on families is particularly useful for local governments aiming to improve their responsiveness to families and communities.

61. However, public opinion surveys are both too expensive and labor-intensive to be used to assess impacts of every policy. Moreover, while survey responses can identify and describe policy impacts, they do not generate information that can tell us what *causes* these impacts on families.

#### The New Zealand experience: Family impact assessment checklist

62. The Families Commission of New Zealand aims to place families at the centre of policy development and implementation. To do so, they initiated the idea of develop better tools in assisting policy-makers to anticipate and understand the impacts of policies and services on diverse families. Their first step towards making an assessment approach for family-centered policy analysis started in 2005. Building on reviewing the strengths of microeconomic and gender analysis, impact assessment and family impact assessment, they proposed to use a *family impact assessment checklist* to screen policies on whether such policies are likely to have any family impacts and to identify what those impacts might be.
63. Different from US checklist tool which was designed for assessing family specific policies, New Zealand family impact assessment checklist especially recommended for screening non-family-specific policies. Addressing the checklist questions is intended to raise policy analysts' awareness of the importance of family issues in a policy domain where they have not typically been discussed. (Jacqui 2005).
64. The checklist reflects the outcomes framework for families developed by the Families Commission (2005) that includes family recognition and support, family diversity, family living standards, family formation/dissolution, family functioning and family participation; example questions are set out within the six frameworks. Some questions are more relevant to family-specific policies, while others are more relevant to non-family-specific policies. These checklist questions may encourage analysts to reframe the conventional questions and criteria they use to assess policy proposals. The checklist can also reveal where the significant gaps in present knowledge or data about family impacts are, or where data are inaccurate or unavailable.

65. If by completing this checklist, the policy analyst identifies any potential direct or indirect negative impacts they are recommended to use a more rigorous method for assessing the scope and duration of the potential impacts, and whether or not they could be avoided. Such methods might include economic analysis, gender analysis and impact assessment. However, their effectiveness greatly depends on the information or research evidence available to the policy analyst. While policy analysts should use as much existing data and information as possible to assist them in completing the checklist assessment, without a sufficient information base to answer questions, analysts may rely solely on their own untested assumptions.

### **Family impact seminars**

66. The US Family Impact Seminar is an institutionalized method that has supported family impact assessments at the federal, state and local government levels since 1976. The Family Impact Seminars are an “ongoing series of seminars, briefing reports, and follow-up activities that provide objective, solution-oriented information” for policy analysts, administrators of family service agencies and policy-makers (Bogenschneider 2002: 192-3). They are designed to demonstrate the benefits of bringing a family focus to policy-making and aim to build the capacity of policy-makers to conduct family impact assessments (Ooms, 1995).

67. The seminars have addressed diverse topics of teenage pregnancy, good parenting, welfare reform, juvenile crime, preschool kindergarten and elder care. They consist of presentations by researchers and analysts on the issue of the day followed by open deliberation toward the identification of common points. After each seminar, a tape and a user-friendly background briefing report summarizing the state-of-the-art research on the policy issue are prepared. Opportunities are provided for seminar attendees to engage with the researchers about the policy implications of their findings during and after the seminar. In sum, the Policy Institute for Family Impact Seminars could be regarded as a coordinating, clearing house for family impact seminars across the US states.

### **Family impact statement**

68. In Australia, Prime Minister John Howard promised the new Family First Party that the government would include a “family impact statement” in each Cabinet submission. The use of the family impact statement is intended to formalize and standardize for Cabinet ministers the centrality of family impacts across all government decision-making. In the draft guidelines, attention has been given to ensuring that each family impact statement of

new policy proposals will address economic factors, families' access to services and infrastructure and the impact on family functioning and responsibilities. Since the guidelines have not been publicly released yet, we do not know to what extent they have been based on the US checklist model. In a parallel development, the opposition Australian Labor Party has established a "Family Watch" to monitor the impact of the Howard government's policies on families, with a particular focus on family budgets and living standards.

69. The experience in the U.S. is similar. During the 1980s, the idea of family impact statements was occasionally proposed in Washington in various forms, but was never enacted. At the federal level, President Reagan issued an executive order in 1987 that required agencies to review any proposed new policies for their potential impact on families, but the order was never seriously implemented (Ooms, 1995). In 1997, President Clinton signed an executive order requiring family impact statements only on policies affecting families, which superseded the broader executive order that President Reagan issued earlier (Elrod & Spector, 1998).

70. While there were many political reasons for the failure of implementation in U.S. e.g. the election of Ronald Reagan stalled Jimmy Carter's promise to start a pro-family policy agenda, the long-standing tradition of individualism in America generates fear over the government intrusion into the privacy of family life, and the lack of public support for creating any additional bureaucracy, there are other system constraints. For example, the development of family impact statements requires the deployment of resources to provide training among policy staff to conduct the analysis and yet such supportive measures are lacking.

## **Summary**

71. The most comprehensive and systematic instrument is apparently the FIA checklist approach. The strengths are:

- it can be rapidly applied to assess policy impacts on families.
- It is also a flexible tool that appreciates the complexity and diversity of family impacts.
- The content of the checklist criteria and questions, for instance, can be readily adapted to reflect the values and concerns of different policy contexts and jurisdictions. (Ooms, 1995)

72. On the other hand, the Family Impact Seminars or the Family Impact Statement can be

incorporated as part of the mechanism and process of FIA. The Family Impact Seminars can form part of the public engagement process and the Family Impact Statement can be used as a summary of the FIA study to inform policy makers. The detailed processes are discussed and illustrated in Figure 4.1 at the end of the next Chapter.

73. As the present study is not by itself a formal FIA process and it resembles, at most, the FIA study process within the FIA mechanism, the FIA checklist approach will be adopted in this study illustrating how such a checklist can be used in a FIA study.

## Chapter 4

### The Mechanism of FIA

74. While existing laws and policies may or may not be “family friendly”, the implementation of FIA in other countries are primarily related to the process of making new laws and/or new policies. However, such a mechanism of FIA put in place in the formulation process of new laws and new policies can also be used for existing laws and policies whenever it is deemed necessary to review and revise them.
75. To design a FIA mechanism for Hong Kong, we can make reference to the experience of implementing FIA in other countries and also the local experience of various “impact” assessments, e.g. sustainable development, environmental impact assessment (EIA), etc.

#### The EIA mechanism of Hong Kong

76. Family Impact Assessment originally is modeled on environmental impact analysis (Jacqui 1995). Environmental impact assessments are intended to identify the potential impacts of a project in the early planning stages, as well as any alternatives or mitigation measures.
77. The EIA process started being applied in a limited form in the 1980s in Hong Kong, when the government started assessing its own projects. The process expanded through the 1990s, resulting in the EIA Ordinance which makes EIAs statutory for designated projects in both the private and public sectors. One of the hallmarks of the Ordinance is that it allows for public input and the comments from the Advisory Council on Environment in the EIA process.

The Components	Details
Source of Policy	Law: Environmental Impact Assessment Ordinance
Responsible Authority	Environmental Protection Department (EPD) Responsible for the implementation of the EIA Ordinance (authorized to approve or reject EIA reports and other applications under the Ordinance)
Advisory Body	Advisory Council on Environment.
Who undertake EIA Studies	The project proponents
Tool	Technical Memorandum <ul style="list-style-type: none"> <li>■ issued under the EIA ordinance</li> <li>■ details the requirements of the EIA studies and provides clear guidelines throughout the EIA process</li> </ul>
Public participation	<ul style="list-style-type: none"> <li>■ provide platform and procedure for information exchange, engagement and informed dialogue</li> </ul>



- |                                 |
|---------------------------------|
| ■ EIA report open to the public |
|---------------------------------|

## **Sustainability Assessment System in Hong Kong**

78. The sustainability assessment (SA) system is primarily an administrative set-up within the HKSAR Government in December 2001. Under the SA system, government bureaux and departments:

- are required to carry out sustainability assessments of new strategic initiatives or major programmes which may bring about noticeable or persistent implications on the economic, environmental and social conditions of Hong Kong;
- may incorporate the requirement for sustainability assessment into their planning or feasibility studies of major proposals, as appropriate, to ensure sustainability assessment findings are taken into account during the planning or formulation process,
- are advised to set out the main sustainability assessment findings of their major proposals in the relevant public consultation documents to help facilitate better informed public discussion and building of community consensus, and
- are required to include in their submissions to the Executive Council and/or the Policy Committee<sup>7</sup> the sustainability assessment findings or results of their proposals.

79. The responsible body of implementation is the Sustainability Development Division housed in the Environment Bureau.

80. The basic tool of the SA is the Computer-Aided Sustainability Evaluation Tool (CASET), developed by Planning Department's Consultants, to bureaux and departments to help them conduct sustainability assessments of their proposals. Together with the CASET, three set of tools were developed, namely the Guiding Principles, the Sustainability Indicator Checklist to assist the bureaux and departments, a list of social checklist questions related to various areas including social and social infrastructure, health and hygiene, leisure and cultural vibrancy, housing, and education attainment.

## **FIA in other countries**

81. As discussed in the previous Chapter, there are three basic approaches of FIA used or proposed in other countries, namely, family impact checklist, family impact seminars, and family impact statements on policy paper in the policy formulation process. Apparently,

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<sup>7</sup> It is previously known as the Chief Secretary's Committee.

the three approaches are not mutually exclusive.

82. The family impact checklist can be considered as primarily an instrument that can be used be proponent of new policy/legislative initiative and can also be used in the process of reviewing existing policy/legislation.
83. The family impact seminars can be considered as part of the process of engaging various stakeholders in the policy formulation policy with a particular emphasis on the possible impact of a policy on family.
84. The family impact statement can be considered as part of the formulation process when the proponents of the policy/legislation have completed the FIA and are ready to table the proposal together with the FIA report and FIA statement at certain decision making platform, such as the Executive Council or Legislative Council in the case of Hong Kong.

### **A possible framework of the FIA mechanism for Hong Kong**

85. The mechanism of FIA may consist of several elements, namely, a legislative framework or policy framework, a responsible body to implement FIA, an advisory body in the case where the responsible body is a government unit, and the specifications of the process of FIA.

#### A legislative or policy framework

86. In terms of legislation, the recent New Zealand experience has been progressing well while the Australia experience has not made much progress in the last 16 years since its first initiation in 1991. The U.S. experience of having administrative requirements of family impact statement has never been materialized, while the non-institutional set-up of the family impact seminars and advocacy work of NGOs have been quite influential.
87. While legislation will give FIA a clear and unambiguous mandate, the need for such legislation has hardly been discussed in the political or policy agenda within Hong Kong. The development of a policy framework appears to be a more viable option for Hong Kong.

#### A responsible body to implement the FIA

88. The responsible body to implement the FIA can be a government department/bureau or a

statutory body created for the purpose of the FIA.

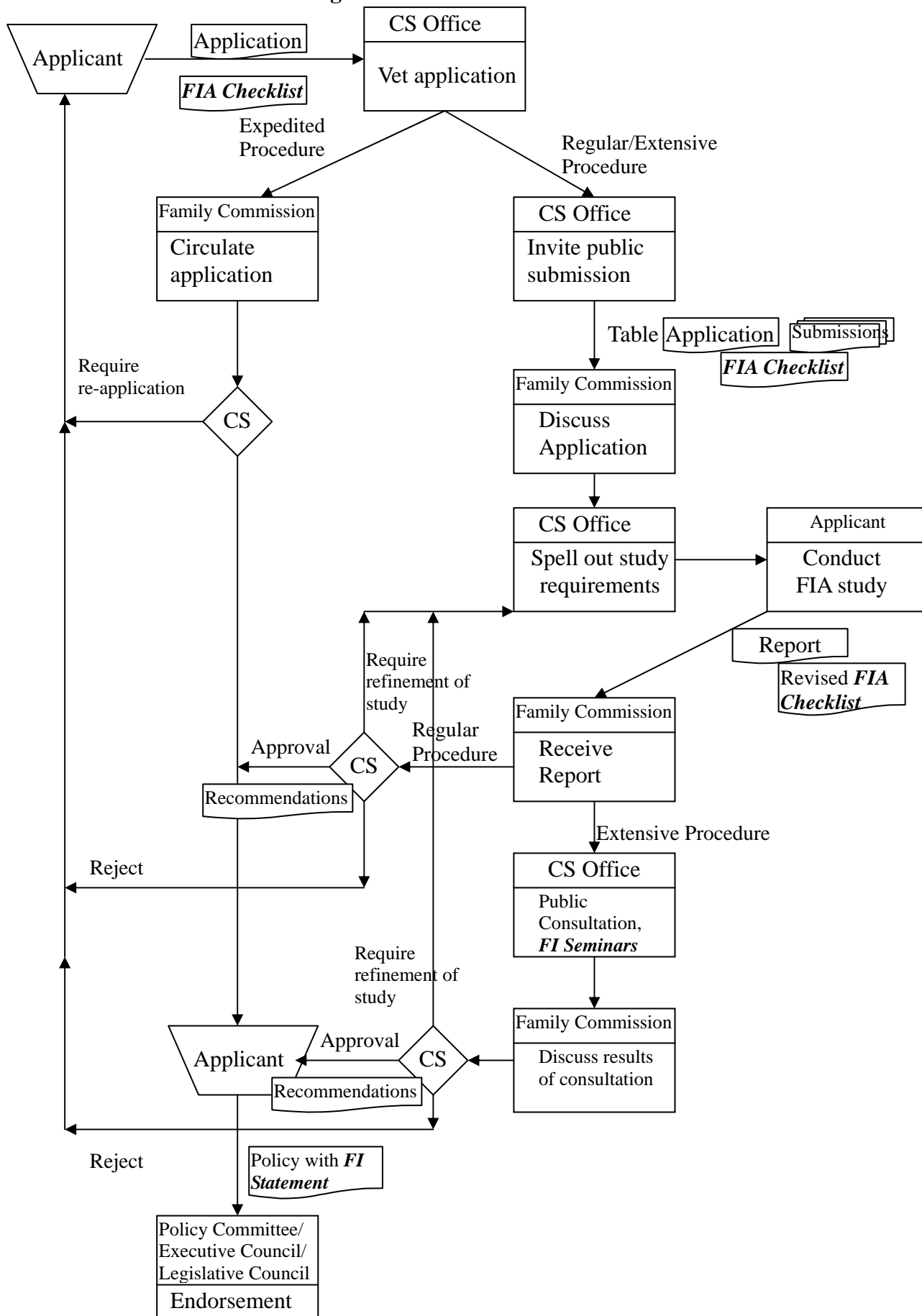
89. Within the present government set-up, the possible house for this responsible body can either be the Chief Secretary Office or the Labour and Welfare Bureau. Housing under the Chief Secretary office gives FIA a higher status and the advantage of being closer to the coordination work of different bureaux that have policies significantly related to the family (e.g. Transport and Housing Bureau, the Education Bureau, the Home Affairs Bureau, Development Bureau, and the Labour and Welfare Bureau, etc.) Moreover, as the Family Council is chaired by the Chief Secretary for Administration, it is more logical that the responsible body would be housed in his office.
90. Housing under the Labour and Welfare Bureau is more closely related to policies and services that are directly related to the family (e.g. the various advisory bodies related to the family including the Elderly Commission and the Women's Commission, the family services under the Social Welfare Department). However, as the Family Council will take up some of the coordination and streamlining of work among various related advisory committee, namely the Elderly Commission and Women's Commission under the Labour and Welfare Bureau, and the Youth Commission under the Home Affairs Bureau, the role of the Labour and Welfare Bureau in formulating policies related to the family would probably be reduced in the future.
91. If the responsible body is housed within Chief Secretary (CS) Office, the corresponding advisory body for FIA would be logically the Family Council. The role of the advisory body is to advise the government on:
- The various instruments of FIA, e.g. a checklist, guidelines for FIA applications, etc.
  - Individual FIA applications, e.g. initial comments on the application, in cases where a FIA study is required the necessary parameters of such a study, comments and/or endorsement of the FIA report submitted by applicant.
92. To ease the presentation in the following sections, we will take the CS Office as the responsible body and the Family Council as the advisory body.

#### The specification of the process of FIA

93. The mechanism of FIA has to spell out the detailed process of FIA with respect to its relative position within the process or legislation and/or policy formulation. Such process would normally include an application process, a study process, a consultation process, and a final assessment process.

94. An application process requires the proponents of legislation/policy to apply to the CS Office. In such process, the proponent can apply for either
- an expedited process for policy that is scarcely relevant to families such as legislation related to registration of the medical profession;
  - a regular process where individual citizens would be affected but the family is usually not an element within the proposed legislation/policy; or
  - an extensive process where families are usually a unit of consideration within the policy
95. A study process: For a regular process or an extensive process, a FIA study will be required. The specification of such study will usually be made with respect to a published guideline issued by the CS Office and can be directed by the CS Office as advised by the Family Council. For example, during the application process, comments from the Family Council will be sought and subsequently the CS Office can issue directives spelling out the requirements of the study process such as questions that the study should specifically address.
96. A public consultation process – Public consultation will be required for a regular or extensive application process. Such consultation process can take three possible forms depending on the types of application process that is required:
- In parallel with the study process, public submission would be invited
  - Within the study process, public consultation can be a required process
  - In an extensive process, after the FIA study is completed and report is made available to the public for consultation, and Family Impact Seminars will be held.
97. An assessment process takes place when the CS seeks the advice of the Family Council on whether the proposal can be endorsed. The Family Council receives the application, a completed FIA checklist, and if required the FIA study report and results of consultation. Subsequently, the CS with the advice of the Family Council determines if endorsement will be given. The proponent with the advice from the CS will subsequently include a Family Impact Statement summarizing the results and recommendations of the FIA study in the final legislative/policy proposal to be tabled to the Policy Committee/Executive Council or the Legislative Council.
98. Figure 4.1 spells out the various processes and the use of FIA checklist, Family Impact Seminars and Family Impact Statement in the FIA mechanism in a flowchart.

**Figure 4.1: Flowchart of FIA**



## Chapter 5

### The FIA Checklist for the Study

99. As discussed in Chapter 1, to assess the impact of policies on family, we have to take the following perspectives into consideration:

- Family Structure (single parent/two parent; nuclear/extended; none/one/two wage earner; step/blended families );
- Family Life Cycle Stages (early family formation; family with school-age children; with children in transition to adulthood; with no child dependents; with elderly dependents; aging families);
- Family Types (socio-economic characteristics like income, occupation, and education);
- Families Immediate Context (internal family relationship, informal social network, neighborhood environment, broader social and economic trend).

100. Making references to the instruments used elsewhere, and considering their relevance to Hong Kong, we have compiled a FIA checklist based primarily on the framework laid out by the Policy Institute for Family Impact Seminars with some minor modifications on the descriptions and reductions in redundancy in conceptual terms. The FIA checklist is used in the initial desk top assessment, interviews and focus groups during this study. The checklist is composed of five basic principles and a number of relevant criteria for assessing if a particular policy complies with the each of these principles.

101. During the final stage of analysis while making use of the information found during the interviews and we found considerable overlap between the original Principle 1 and Principle 2 both conceptually and in practice with respect to the relevant parts of policy. Thus, we merged the two principles into the existing Principle 1 listed below. Furthermore, we extracted two criteria from both the earlier version of Principle 1 and 4 to form a new Principle 5. Details of the revised principles and criteria are:

<b>Principle 1</b>	<b>Family support and responsibilities:</b> The policy recognizes the importance of mutual support and mutual responsibility among family members, and the strengths and resources that families can mobilize to help their members
Criterion 1.1	The policy acknowledges the family responsibilities across households and generations, and supports the mutual care of family members, including children, older people, and family members with special needs (e.g. physically or mentally disabled or chronically ill)
Criterion 1.2	The policy sets realistic expectations for families to assume care-giving

	and/or financial responsibilities for dependent, seriously ill or disabled family members
Criterion 1.3	The policy does not provide incentives for the family function to be performed by some other persons outside the family when there is no such necessity
Criterion 1.4	The policy assesses and balances the competing needs, rights, and interests of various family members across generations
Criterion 1.5	The policy recognizes the connectedness of families to wider kin
Criterion 1.6	The policy enhances parental competence and promotes knowledge, skills and commitment necessary for raising children
Criterion 1.7	The policy affects families' ability to balance paid work and family
<b>Principle 2</b>	<b>Family membership and stability/ Family formation and dissolution:</b> The policy encourages and reinforces marital, parental and family commitment and stability, especially when children are involved
Criterion 2.1	The policy supports family decision to marry instead of divorce or separate.
Criterion 2.2	The policy supports families to give birth to, foster, or adopt children
Criterion 2.3	The policy uses appropriate criteria to justify removal of a child or adult from the family
Criterion 2.4	The policy allocates resources to help keeping the family together when this is the appropriate goal
Criterion 2.5	The policy recognizes that major changes in family relationships such as divorce or removal of second generation are processes that extend over time and require continuing support and attention
<b>Principle 3</b>	<b>Family participation, partnership and empowerment:</b> The policy emphasizes the importance of partnership between government, agencies, communities and families in meeting the needs of family, and encourages individuals and their close family members to collaborate as partners with program professionals in the delivery of services to an individual
Criterion 3.1	The policy builds on informal social support networks (such as community/neighborhood organizations, religious communities) that are essential to families' lives of different generation
Criterion 3.2	Opportunities are provided for families to participate in the development, implementation, delivery and evaluation of policies
Criterion 3.3	The policy considers the importance of partnerships between government agencies, communities and families in meeting the needs of families
Criterion 3.4	The policy or program prevents participating families from being devalued, stigmatized or subjected to humiliating circumstances
Criterion 3.5	The policy provides full information to families
<b>Principle 4</b>	<b>Support of vulnerable families/ family living standards:</b> Families in greatest economic and social need should be included in the policy
Criterion 4.1	The policy gives support to families who are most vulnerable and have the fewest resources
Criterion 4.2	The policy affects families' ability to maintain an adequate standard of living
Criterion 4.3	The policy affects families' ability to advance economically and build family assets

<b>Principle 5</b>	<b>Family Diversity</b> The policy takes into account their varying effects on different types of families and acknowledges the value of diversity of family life.
Criterion 5.1	The policy addresses and balances the diversity of family needs, values and behaviour of families from diverse background and composition.
Criterion 5.2	The policy ensures that all family types have access to effective services and does not discriminate against or penalize any types of families without good justifications

102. Not all of the criteria would be relevant to any particular policy. In this study, we have identified the relatively more relevant criteria to facilitate our interviewees and focus group participants in identifying the relevant parts of the policy that may have an impact on the family and will be described in the following chapters.



## Chapter 6

### The case of Public Rental Housing Policy

103. To perform a family impact analysis (FIA) on the public rental housing policy, the research team has first conducted a desk-top analysis using the Checklist developed as described in Chapter 5. Possible areas of the public rental housing policy that may be relevant to the FIA and the corresponding criteria that are relevant to the public rental housing policy were identified. Subsequently, the checklist was used in the interviews and focus groups. In the following sections, we summarized the discussions and the relevant analysis on the policy with respect to the various parts of the FIA checklist.

#### **Principle 1: Family support and responsibilities**

104. Principle 1 states that “The policy recognizes the importance of mutual support and mutual responsibility among family members, and the strengths and resources that families can mobilize to help their members”. The relevant criteria for public housing policy in Hong Kong would be:

- Criterion 1.1 The policy acknowledges the family responsibilities across households and generations, and supports the mutual care of family members, including children, older people, and family members with special needs (e.g. physically or mentally disabled or chronically ill)
- Criterion 1.4 The policy assesses and balances the competing needs, rights, and interests of various family members across generations
- Criterion 1.5 The policy recognizes the connectedness of families to wider kin
- Criterion 1.7 The policy affects families’ ability to balance paid work and family

105. Family is a basic unit in the public rental housing policy and application is accepted on family basis. Family members include the following:

- Husband and wife
- Parents
- Children
- Grandparents
- Grandchildren
- Unmarried brothers and sisters
- Other dependent relatives

The relevant elements of policy related to Criterion 1.1: The policy acknowledges the family responsibilities across households and generations, and supports the mutual care of family

## members

### *Caring function for the elderly*

106. In 2007, the Housing Authority reviewed their existing allocation schemes in response to the 2006 Policy Address of the Chief Executive emphasizing the importance of forging closer and harmonious relation among family members to help establish a family-based support network. Several measures were proposed and implemented:

- Relaxing the Addition policy for Harmonious Families
- Enhanced Transfer Scheme for Harmonious Families
- Amalgamation of Tenancies for Harmonious Families
- Enhancing the Families with Elderly Persons Priority Scheme and Special Scheme for Families with Elderly Persons

### Addition Policy

107. In 2001, the addition policy (i.e. policy of allowing new members to be added to the tenancy of public rental housing) was reviewed and six categories of persons can be added to the tenancy:

- tenant's spouse;
- newborn babies or children under the age of 18
- the spouse and children of one of tenant's married offspring,
- dependent parents;
- dependent grandparents; and
- dependent relatives in exceptional circumstances for whom constant care is essential.

108. Under the Addition policy for Harmonious Families (天倫樂加戶政策) in 2001, adult children can only be granted conditional temporary stay to take care of the needy elderly tenants and their stay is subject to half-yearly reviews and will be required to leave the flats when the caring need ceases to exist. In 2007, to facilitate Ageing in Place, the addition policy was relaxed to include adult offspring and their family members of elderly tenants living alone and also households comprising all elderly members.

### Enhanced Transfer Scheme for Harmonious Families(天倫樂調遷計劃)

109. Prior to 2007, a transfer scheme to encourage the younger generation living in public rental housing to look after their elderly parents was in place to allow them or their parents to apply for transfer to the New Territories estates to live nearer to one another

and to occupy separate flats within the same block. This scheme acknowledges the family responsibilities across households and generations

110. In 2007, the transfer scheme was enhanced to allow younger families to move nearer to their elderly parents either in the same estate or a nearby estate within the urban and extended urban districts.

#### Amalgamation of Tenancies for Harmonious Families(天倫樂合戶計劃)

111. Prior to 2007, amalgamation of younger families in public rental housing to their elderly parents or dependent relatives' tenancies in urban areas was allowed and the younger family has to undertake to look after the elderly and to live together. The amalgamated household will be re-housed to one unit of suitable size.

112. In the 2007 review, the scheme was enhanced by allowing the amalgamated household can go to any district including those with new flats and the comprehensive means test and domestic property test would be waived in this application.

#### Priority schemes related to families with elderly members

113. In 1982, the Housing Authority has introduced the Families with Elderly Persons Priority Scheme (FEP) allowing applicants to gain advanced allocation up to a maximum of three years but with a minimum of not less than 2 years in the Waiting List.

114. In 1990, the Special Scheme for Families with Elderly Persons (NFEP) was implemented to allow families to be offered two separate flats in the same estate in the New Territories and gain advanced allocation up to a maximum of two years but with a minimum of not less than 2 years in the Waiting List.

115. In 2007, the Housing Authority has shortened the minimum waiting time from 2 years to 18 months and allowed applicants in the both priority schemes to select flats from the extended urban districts.

#### *Caring function of parents*

116. Housing arrangement for divorced couples: Under the current policy of the Housing Authority, the divorcees who have the custody of one or more children will be allocated separate housing unit.

The relevant elements of policy related to Criterion 1.4: The policy assesses and balances the competing needs, rights, and interests of various family members across generations

117. The existing policy allowing part of a family of an existing tenancy to apply for another housing unit through the waiting list provides opportunities for those family members who wish to live independently for their personal preference.

118. Request for splitting households would be considered on fully justified grounds with recommendations from the Social Welfare Department.

The relevant elements of policy related to Criterion 1.5: The policy recognizes the connectedness of families to wider kin

119. The policy of Conditional Temporary Stay enable needy tenants to be taken care of by their family members or close relatives, and vice versa. Eligible categories including

- needy tenant's adult offspring
- needy tenant's sibling
- grandchild and relative dependent on tenant

120. Applicants with special grounds to live near their close relatives for social support can apply to the Social Welfare Department for Compassionate Re-housing. For example, single-parent families may apply for transfer to a district close to their relatives who can help taking care of their children.

The relevant elements of policy related to Criterion 1.7: The policy affects families' ability to balance paid work and family

121. One of the elements of public rental housing that is frequently alleged to be detrimental for families to balance work and family is related to the fact that many public rental housing estates are built in a great distance from the urban area, and, thus, requiring working parents to travel long distance to and from work leaving little time for them to take care of their own family. This is, perhaps, not so much a policy issue of public rental housing, but a matter of planning and land policy of the HKSAR Government.

122. Compassionate Re-housing – A large number of compassionate re-housing cases had been approved and moved to new estates in Tin Shui Wai and Tung Chung in earlier years. This has inevitably increased the proportion of vulnerable families in these

communities. Furthermore, single parents moving to these districts would find it very hard to balance work and family because of the distance between work and home. A large percentage of them, subsequently, had turned to rely on the Comprehensive Social Security Assistance.

#### Impact Analysis related to Principle 1

123. Apparently, the existing public rental housing policy has made an attempt to recognize the importance of mutual support and mutual responsibility among family members. It requires families to apply as a unit and the definition of ‘family member’ including dependent relatives assumes the ‘depending’ relationship among them.

124. In particular, there are several schemes targeted at family care for the elderly. An important policy element of these policies is related to the available choice of living together with the elderly or living close together within the same household, the same block, same estate or near-by estate. The public rental housing policy has provisions to allow tenants to make such choices depending on their own circumstances and values.

125. The above mentioned enhancement to various schemes and addition policy is a response to the ageing in place policy and assisting families to look after their elderly family members. On the other hand, owing to the trend of reducing supply of urban public rental housing, e.g. the demolition of the North Point Estate, the ability of the policy to allow younger families to live together or near to their elderly parents would be limited. Though this is not a policy of public rental housing as such, it is a land use policy of the HKSAR Government. The fact that all new public rental housing estates are built in new towns further and further away from the central urban areas will drive new families further away from their elderly parents who are left behind in the urban district. The effectiveness of the various schemes and addition policy to mitigate the above segregation of new and old families need to be assessed in greater details.

126. The accumulative effect of moving vulnerable families into distanced public rental housing estates such as those in Tin Shui Wai and Tung Chung had gradually built a relatively “vulnerable community”. Families separated from their support network in the urban area found it hard to carry out their own family support roles. Vulnerability of these families would be exacerbated once they are move to distanced housing estates. The allocation policy for vulnerable families should be reviewed in this context.<sup>8</sup>

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<sup>8</sup> For more detailed discussion, please refer to the discussion related to Principle 4, in particular, Criterion 4.4

## **Principle 2: Family membership and stability/ Family formation and dissolution**

127. Principle 2 states that policies should encourage and reinforce marital, parental and family commitment and stability, especially when children are involved. The relevant criteria related to public rental housing are:

- Criterion 2.1 The policy supports family decision to marry instead of divorce or separate.
- Criterion 2.2 The policy supports families to give birth to, foster, or adopt children
- Criterion 2.4 The policy allocates resources to help keep the family together when this is the appropriate goal
- Criterion 2.5 The policy recognizes that major changes in family relationships such as divorce or removal of second generation are processes that extend over time and require continuing support and attention

The relevant elements of policy related to Criterion 2.1 The policy supports family decision to marry instead of divorce or separate

### *For Marriage*

128. The first category of addition is spouse of the tenant, and in such application of addition, there is no requirement for asset or income limit test.

129. The spouse and children of one of tenant's married offspring can apply for addition. However, the whole household will be subject to the asset or income limit test. After successful addition, the households may have to pay normal, one and a half times or double net rent plus rates depending on the new level of their total household income. However, such policy is limited to only one child.

### *For Divorce*

130. The existing housing arrangements for divorced couples depend on whether there would be additional housing resources involved.

131. The party that have the custody of all the children will be normally given the tenancy while the other party can apply for interim housing on the basis of genuine need and at the same time a place in the waiting list with a credit of waiting time equivalent to the length of the former tenancy up to a maximum of 3 years, given that the other party met

the eligibility criteria of income and asset.

132. A divorcee who does not have the custody of any child but has grave difficulty in meeting his/her need for accommodation may approach the SWD for Compassionate Re-housing application.
133. If each divorcee has the custody of one or more children, or the tenancy consists of other relatives, separate housing units may be allocated to the divorced parties provided that both of them met the eligibility criteria of income and asset.
134. If a couple on the waiting list get divorced while waiting, they are allowed to have two separate applications with one retaining the existing application while the other gets a new application with a credit of the original waiting time.
135. The Compassionate Rehousing Scheme is operated on the basis of recommendation from the Social Welfare Department. Under this scheme, conditional tenancy can also be recommended to help those who are assuming custody of children and to meet their genuine housing needs while awaiting the court decision on their divorce applications.<sup>9</sup> This scheme was extended in 2004 to cover victims of domestic violence having petitioned for divorce who have no offspring or have not brought along any dependent children when leaving their matrimonial home.

The relevant elements of policy related to Criterion 2.2: The policy supports families to give birth to, foster, or adopt children

#### *Having babies*

136. In the public rental housing policy, at least half of the family members must have lived in HK for 7 years at the time of application. This policy could have given to migrant families when both husband and wife are migrants) an incentive to have more new babies as the babies borne in HK would have deem satisfied the 7 years rule. For example, a migrant who has resided in Hong Kong for 7 years and thus eligible to apply for public rental housing got married 4 years ago back in India, having one child born in India, now has the wife and child joining him, will suddenly become not eligible for public rental housing as less than 50% of the family met the 7-years criterion. However, once they have one more baby borne in Hong Kong, they will become eligible again.

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<sup>9</sup> Retrieved from the SWD website on January 2, 2008  
[http://www.swd.gov.hk/en/index/site\\_pubsvc/page\\_family/sub\\_listofserv/id\\_221/](http://www.swd.gov.hk/en/index/site_pubsvc/page_family/sub_listofserv/id_221/)

### *Foster Care Service*

137. An agreement between the Social Welfare Department and the Housing Authority allowed public housing tenants to take in foster children provided that there is sufficient space in the flat.

### *Adoption*

138. Adopted children are treated the same as any biological children under the housing policy.

### *Growing family size*

139. Households with living space problem as a result of growth in family size growth can apply for a larger flat under either the Overcrowding Relief Scheme or the Living Space Improvement Transfer Scheme.

The relevant elements of policy related to Criterion 2.4: The policy allocates resources to help keeping the family together when this is the appropriate goal

### *Housing Subsidy Policy*

140. Since 1987, the Housing Authority implemented the housing subsidy policy where households, who have been living in public rental housing for ten years, with income exceeding 200% of the household income limit would be required to pay 1.5 times rent or double rent if household income exceeding 300% of the household income limit.

141. This policy has a possible impact for mature families with children growing up and starting to earn money. The increased household income due to adult children might cause the total household income to exceed the household income limit and subsequently the rent. This apparently might increase the likelihood for these children to move out from the household<sup>10</sup>. In longer terms, this could accelerate the development of “aged community” which younger generation leaving existing housing estate.

### *Addition Policy*

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<sup>10</sup> Though this possible impact was mentioned from time to time during policy discussion, we noted there is no systematic research in this area to provide clear empirical evidence of the extent of this impact. The analysis provided in this part is primarily anecdotal.



142. As mentioned earlier related to Criterion 2.2, the spouse and children of only one adult child can be added to the tenancy of public rental housing. Families that prefer larger extended families to live together would not have such option available unless they moved out from public rental housing.

The relevant elements of policy related to Criterion 2.5: The policy recognizes that major changes in family relationships such as divorce or removal of second generation are processes that extend over time and require continuing support and attention

143. The Conditional Compassionate Re-housing arrangement for divorcees undergoing the divorce process recognizes the possible lengthy process of divorce.

144. The addition policy related to the addition of spouse and children of only one child of the tenant is also relevant here.

145. There are cases where children moving out from their parents' household after marriage and wanting to move back after divorce. However, at present, adult children moved out from the tenancy cannot be added back to the tenancy unless their parents had already turned old.

#### Impact Analysis related to Principle 2

146. Basically, the public rental housing policy supports families to give birth to, foster, or adopt children.

147. The policy is quite neutral with respect to marriage and divorce, except when it is related to the marriage and divorce of adult children of the tenant. For instance, the second adult child upon marriage has no option but to move out and once they have moved out they would not be able to move back even after divorce.

148. The existing practice of normally assigning tenancy to the party that has been awarded custody of all children in divorce has added to the tension during divorce and after divorce. While custody of children is already a major conflict between divorcing couple, the tenancy bundled in this arrangement added to the conflict of interest. There were also cases that even after divorce, because of the remote location of interim housing, the other party that supposedly has to move out insisted on staying in the house until they obtained tenancy in public rental housing. Conflicts and at times domestic violence

were found in such circumstances. A possible remedy to avoid such circumstances to happen is to identify one-person units in the urban and extended-urban housing estates to serve as interim housing instead of having all interim housing located in remote areas. Another alternative is to provide a housing subsidy equivalent to the value of subsidy in providing interim housing to the needy party in divorce without custody of children instead of providing interim housing.

149. The existing policy has dealt with the situation where the parents had already turned old and required care from their adult children and families. However, to make this process more natural and less painful, options facilitating or encouraging the adult children to stay with the family in the first place would be more desirable. Given the fact that in the application for splitting households, each part of the household would have to go through the same process of means-test, the possibility of misuse of public housing resource because of multiple-branch out of family units would be very much reduced.

150. The Housing Subsidy Policy has the tendency of encouraging younger family members to leave the family once they enter into the labour force. This could be one of the major contributing factors for rapidly aging community in public housing estates which usually lack the vitality of having young families with children playing in the playgrounds but leaving only elderly sitting in the park benches gazing at empty carousels.

151. In sum, the following issues were identified in the study related to the impact of the policy on families in this principle and were worthy of re-consideration:

- The addition policy of spouse and children of the second or subsequently married child
- The policy of adding back adult children upon marriage or divorce
- The calculation of household income limit for existing tenants when their children start working and earning money

### **Principle 3: Family participation, partnership and empowerment**

152. Principle 3 emphasizes the importance of partnership between government, agencies, communities and families in meeting the needs of family, and the policy should encourage individuals and their close family members to collaborate as partners with program professionals in the delivery of services to an individual. The relevant criteria related to public rental housing policy are:

- Criterion 3.1 The policy builds on informal social support networks (such as community/neighborhood organizations, religious communities) that are essential to

families' lives of different generation

- Criterion 3.2 Opportunities are provided for families to participate in the development, implementation, delivery and evaluation of policies
- Criterion 3.3 The policy considers the importance of partnerships between government agencies, communities and families in meeting the needs of families
- Criterion 3.5 The policy provides full information to families

The relevant elements of policy related to Criterion 3.1: The policy builds on informal social support networks that are essential to families' lives of different generation

153. Mutual Aid Committees (MAC) are given the opportunity to rent a space as office and meeting place within the same building block at nominal rent. However, the space was usually considered to be insufficient for MACs to organize activities or gatherings for residents.

154. To facilitate the provision of both formal and informal support services in the community, the commercial premises under the Housing Authority are leased at concessionary rate to Non-government Organizations including resident organization and religious bodies.

The relevant elements of policy related to Criterion 3.2: Opportunities are provided for families to participate in the development, implementation, delivery and evaluation of policies

155. The Housing Department conducts Public Housing Recurrent Survey annually to obtain the views of the households in public rental housing on various issues relating to housing. In the 2007 survey, the residents' views on various estate management services and environmental protection measures were sought, and information related to their shopping behaviour and future housing plan was also collected.

156. A Customer Satisfaction Survey on the Total Maintenance Scheme In-flat Inspection and Maintenance Services was also completed in 2007.

The relevant elements of policy related to Criterion 3.3: The policy considers the importance of partnerships between government agencies, communities and families in meeting the needs of families

157. The Housing Authority has launched a Community Participation Scheme to enhance its

partnership with the contractors, public housing tenants and the community at large. A recent initiative under the Scheme is "Action Seedling" which encourages community participation in the greening of new housing estates at an early stage.

158. Estate Management Advisory Committees (EMAC) are set up in all public housing estates to increase tenants' participation in estate management matters and to strengthen tenants' sense of belonging to and collective responsibility for the well-being of the estate community. Representatives from other Government departments (e.g. Police, Home Affairs Department) are invited to attend meetings on need basis.

159. However, participants of this study mentioned that the functioning of EMACs varies and, at times, the political affiliation of MACs can create conflicts instead of collaboration in EMACs.

The relevant elements of policy related to Criterion 3.5: The policy provides full information to families

160. The Housing Authority issued newsletters to tenants regularly. Public rental housing tenants will also be able to watch latest news about the Housing Authority through the televisions installed at lobbies of each housing block.

161. Details of public rental housing policies are made available in the website of the Housing Authority.

Impact Analysis related to Principle 3

162. In general, the public rental housing policy is consistent with the criteria spelt out in this principle.

163. Currently, tenants can choose to pay rent at the convenience stores, MTR stations, ATM machines, etc. While such arrangements provide more flexibility to the tenants, the amount of personal contact between the tenants and the housing managers was reduced.

164. Frequently, casual observers would find elderly residents sitting around downstairs in their housing blocks. Social interactions were mainly found around chess tables. Otherwise, interactions are limited among the elderly sitting there browsing around aimlessly.

165. Better design of furniture and facilities at street level and possible interaction with the MAC offices could enhance interactions among residents and thus strengthening the informal social support networks in the neighbourhood.

166. The use, size, and functionality of MAC offices in housing blocks can be reviewed to strengthen the role that MAC plays in enhancing mutual care in the neighbourhood.

**Principle 4: Support of vulnerable families/ family living standards:**

167. The principle requires that families in greatest economic need should be included in the policy. The relevant criteria for the public rental housing are:

- Criterion 4.1 The policy gives support to families who are most vulnerable and have the fewest resources
- Criterion 4.2 The policy affects families' ability to maintain an adequate standard of living
- Criterion 4.3 The policy affects families' ability to advance economically and build family assets

The relevant elements of policy related to Criterion 4.1: The policy gives support to families who are most vulnerable and have the fewest resources

168. Several measures are also in place to take into account the needs of families with disabled members. For instance,

- a more relaxed allocation standard is adopted for families with disabled members
- The HA undertakes the full cost if a flat has to be converted to cater for the needs of individual disabled persons
- the HA undertakes to provide a barrier-free living environment to disabled persons including the provision of ramps, grab rails, tactile guide paths to facilitate their use of estate facilities and access to and within the estates.

169. The Compassionate Re-housing Scheme operated on the basis of recommendation from the Social Welfare Department helps those in hardships of various natures such as serious illness, disability, social problem or living problems faced by elderly owner-occupiers of dilapidated properties.

170. Express Flat Allocation Scheme can provide waiting list applicants of urgency but not eligible to channels for allocation of public rental housing out of normal course.

171. The Housing Subsidy Policy, in which a household's income exceeds a certain threshold prescribed will need to pay additional rent, and the Policy on Safeguarding Rational Allocation of Public Rental Housing, in which a household's income and asset exceed certain thresholds prescribed will need to surrender the flat aim to encourage better-off tenants to move out of the public rental housing so that the Housing Authority can use its resources to help other low-income families in genuine need.

The relevant elements of policy related to Criterion 4.2: The policy affects families' ability to maintain an adequate standard of living

172. The basic policy objective of the Housing Authority is to provide affordable housing to low-income families with a relatively lower rent compared with the private market and release their burden on housing expenditure.

173. As a special financial relief, three groups of domestic tenants (a) all-elderly households, (b) hardship rent payers; and (c) tenants who are Comprehensive Social Security Assistance recipients are exempted from rent deposit payment upon intake.

174. The Rent Assistance Scheme (RAS) first introduced in 1992 aims at granting relief in the form of rent reduction (25% or 50%) to domestic tenants in public rental housing who are facing temporary financial hardship.

175. Eligible families are allowed to apply for larger flat transfer to improve their living environment when the living density felt below 7m<sup>2</sup> per person.

The relevant elements of policy related to Criterion 4.3: The policy affects families' ability to advance economically and build family assets

176. The rent of public rental housing is lower than the rent in the private market and thus helping the tenants to reduce the financial burden on housing expenses. This enables families' ability to save more, to build family assets and to advance economically.

177. On the other hand, both the Housing Subsidy Policy (HSP) and the Policy on Safeguarding Rational Allocation of Public Rental Housing (SRA) mentioned earlier have put a limit to such effect and beyond the limit prescribed in the SRA, the tenants would have to leave the public rental housing estate.

Impact Analysis related to Principle 4

178. The existing public rental housing policy is obviously skewed towards vulnerable families and clearly supportive to low income families.

179. While both the HSP and SRA aims at safeguarding the better-off tenants by discouraging them to stay (by higher rent), encourage them to leave (purchase of Home Ownership Scheme), or force them to leave (by termination of tenancy) in order to vacate more flats for needy families, these policies would have possible negative impact on the family with respect to Principle 2.

### **Principle 5: Family Diversity**

180. This principle states that the policy takes into account their varying effects on different types of families and acknowledges the value of diversity of family life. The relevant criteria of this principle are:

- Criterion 5.1 The policy addresses and balances the diversity of family needs, values and behaviour of families from diverse background and composition.
- Criterion 5.2 The policy ensures that all family types have access to effective services and does not discriminate against or penalize any types of families without good justifications

The relevant elements of policy related to Criterion 5.1: The policy addresses and balances the diversity of family needs, values and behaviour of families from diverse background and composition

#### *Diversity in Financial needs*

181. The Housing Authority has a Rent Assistance Scheme (RAS) in place to provide rent reduction to tenants who are facing temporary financial hardship.

#### *Diversity of needs due to size of family*

182. Public housing units are designed with various sizes aiming at meeting the housing needs of families of different size

183. Owing to the possible changes in family size over time, families are allowed to apply for flat transfer when their living space drops below 5.5m<sup>2</sup> Internal Floor Area (IFA) per person under the Territory-wide Overcrowding Relief (TWOR) scheme or when their

living space drops below 7m<sup>2</sup> IFA per person under the Living Space Improvement Transfer Scheme (LSITS).

*Diversity of needs due to social and health reasons*

184. Transfer for medical or social reasons: Needy public rental housing tenants (e.g. working single parent with small children in need of assistance from relatives living in other areas, families under pressure from triad society, family tragedy, etc.) can apply to move to suitable accommodation either within or outside their residing estate.

185. Under the current allocation policies, the application of a public rental housing applicant will be cancelled if s/he refused 3 offers without acceptable reasons. In the case when an applicant refuses an offer on the justified grounds of not accepting an offer due to such offer failing to meet their family need(s) (e.g. a flat on a non-lift-landing floor is not suitable for a family having an elderly with mobility problem), the HA will consider not counting that refusal as an “unreasonable refusal”.

The relevant elements of policy related to Criterion 5.2: The policy ensures that all family types have access to effective services and does not discriminate against or penalize any types of families without good justifications

186. Language: Bilingual signs and notices on routine estate management functions (such as maintenance, repairs, security, cleansing, etc.) are provided in public housing estates. All publications are printed in both English and Chinese. The latest news about the Housing Authority was announced through the televisions installed at lobbies of each block and this would enable such messages to reach elderly tenants who are not literate.

187. The definition of family for public rental housing is basically by blood or by marriage. The only exception would be dependent relative of a family and unrelated elderly chose to apply and live together. Other forms of family such as co-habitated couples and homosexual couples are not eligible.

188. As mentioned earlier, the Addition Policy does not allow the spouse and children of the second married child to be added to the tenancy. Families preferring to have larger extended families with multiple nuclei do not have such a choice in the current policy.

Impact Analysis Related to Principle 5



189. The public rental housing policy has taken into account the diverse needs of families related to financial, social, and health conditions and the needs of families of different sizes or changing sizes.

190. Not all forms of families are eligible for public rental housing policy. The represent policy is traditional in the sense only families by blood or marriage are eligible with the exception of unrelated elderly households. Yet, the policy does not allow very traditional form of large extended families with multiple branches.

### **Overall FIA on Public Rental Housing Policy**

191. The review conducted by the Housing Authority in 2007<sup>11</sup> to enhance the various housing arrangements for fostering harmonious families in public rental housing had made significant changes to the Addition Policy and various schemes to enable families to live with or near to their elderly parents.

192. In this family impact analysis study, while we found the public rental housing is in general consistent with the principles and criteria of the FIA, we had identified two key elements of the policy that have significant impact on the families, namely, adult children leaving the family, and the community life that they live in.

#### Adult children leaving the family

193. In the Housing Subsidy Policy (i.e. the calculation of the household income limit and the increase rent policy), the Policy on Safeguarding Rational Allocation of Public Rental Housing (i.e. vacating the flat when income and asset exceed certain limit), the addition policy (i.e. the spouse and children of only one married child can be added to the tenancy), we have identified elements that would indirectly “encourage” adult children to leave the parents’ household. This has important implications for family care function, particularly the care of elderly, in the long run.

194. The issue of choice: It was frequently argued that most children would like to leave their parents’ household after marriage and many elderly parents would prefer to live on their own instead of with their children’s families. While the above is probably true for the majority of the people in Hong Kong, there are still children who would like to live with their parents after marriage and elderly parents preferring to live with the families of their

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<sup>11</sup> Retrieved from the website of the Housing Authority on December 30, 2007:  
<http://www.housingauthority.gov.hk/hdw/content/document/en/aboutus/ha/paperlibrary1/shc/SHC2407.pdf>

children. The key issue is whether there are such choices available in our existing housing policy.

195. Furthermore, whether children after marriage “should” or “should not” live with their parents or whether elderly parents should live with the families of their married children are both value issues that are subject to change over time and to certain extent a matter of social construction. Knowing that the ageing population would be a major challenge to our society and to our long term care system in the years to come, the direction of strengthening families to look after their own elderly family members would be obviously the only sustainable option. While we may not be able to change people’s values, the promotion of values conducive to family members to care for their own elderly would help to shape the social construction of filial piety values. At the same time, having policies favoring such living arrangement would help to shape such values.

196. The existing Housing Subsidy Policy and Addition Policy reflects the current balance between conflicting values, i.e. better or fairer use of public housing resources on one hand and family values on the other hand. However, if we are to emphasize family values and at the same time would like to promote mutual responsibility among family members and encouraging adult children to leave their elderly parents, it is now time to review if such balance between the two conflicting values can be adjusted. One disincentive for adult children to stay with their parents is due to the possibility that their earned income will be added to the calculation of total household income and subsequently their parents may have to pay higher rent. To deal with this issue, one alternative is to adjust the income limit for this type of households, by treating each adult child earning money as a sub-household-unit, and the adjusted income limit is equal to the income limit of the parent-household plus the child sub-household-unit, and so forth. The resulting income limit will be slightly higher than that of the original income limit for this type of households.

#### Social mix in housing estate

197. The tendency of having compassionate re-housing cases places in remote housing estates had increased the vulnerability of these families when they were relocated away from their usual social network and place of work. This practice has also exacerbated the relative deprivation conditions in these communities.

198. Similarly, young families moving out to the new housing estates far away from the city centre would reduce their social support network and would also leave behind

proportionally more elderly in the urban estates. Older housing estates with high proportion of elderly population lack the vitality of life creating by children and youth living and playing in the community.

199. The history of the development of new towns such as Tuen Mun and Tin Shui Wai had repeatedly told us that having the bulk of young families moving into new housing estates, will create difficulties in the matching of demand and supply of services at the different stage of development, e.g. shortage of kindergarten followed by shortage in primary school places and then secondary school place, and consequently oversupply of certain facilities when the age profile of the community changes over time. The concentration of young families can also create community concerns when a very large portion of the children grow into their adolescence ages.

200. A better mix of families at different family life-cycle will create a better mix and more lively communities for peoples of different generations to live in, and an easier match of community facilities to the different and yet changing needs of different age cohorts living in the community.

201. To deal with the above issues, the allocation policy can be reviewed to see if it is possible to give higher priority to the vulnerable families to live nearer to the urban area while the relatively more mature families (e.g. those seeking space improvement due to increasing number of family members, particularly the addition of spouse and children of married child) will be given more choices in the relatively distanced estates. If such policy is adopted, there would be implications for the distribution of size of flats in those relatively remote housing estates.

#### Other Issues

202. In this study, we have also identified the following issues needed to be addressed:

- the policy of adding back adult children upon marriage or divorce,
- the design of furniture and facilities at street level and possible interaction with the MAC offices to enhance interactions among residents.
- the use, size, and functionality of MAC offices in housing blocks should be reviewed.

## **Chapter 7:**

### **The Case of Comprehensive Social Security Assistance Programme**

203. To perform a family impact analysis (FIA) on the Comprehensive Social Security Assistance (CSSA) Programme, the research team has first conducted a desk-top analysis using the Checklist developed as described in Chapter 5. Possible areas of the CSSA Programme that may be relevant to the FIA and the corresponding criteria that are relevant to the public rental housing policy were identified. Subsequently, the checklist was used in the interviews and focus groups. In the following sections we summarized the discussions and the relevant analysis on the policy with respect to the various parts of the FIA checklist.

#### **Principle 1: Family support and responsibilities:**

204. The policy recognizes the importance of mutual support and mutual responsibility among family members, and the strengths and resources that families can mobilize to help their members. The relevant criteria related to the CSSA are:

- Criterion 1.1 The policy acknowledges the family responsibilities across households and generations, and supports the mutual care of family members, including children, older people, and family members with special needs (e.g. physically or mentally disabled or chronically ill).
- Criterion 1.2 The policy sets realistic expectations for families to assume care-giving and/or financial responsibilities for dependent, seriously ill or disabled family members
- Criterion 1.3 The policy does not provide incentives for the family function to be performed by some other persons outside the family when there is no such necessity
- Criterion 1.4 The policy assesses and balances the competing needs, rights, and interests of various family members across generations
- Criterion 1.5 The policy recognizes the connectedness of families to wider kin
- Criterion 1.6 The policy enhances parental competence and promotes knowledge, skills and commitment necessary for raising children
- Criterion 1.7 The policy affects families' ability to balance paid work and family

The relevant elements of policy related to Criterion 1.1: The policy acknowledges the family responsibilities across households and generations, and supports the mutual care of family members

205. The CSSA system basically assumes that family members will look after each other and

share resources. Application to CSSA has to be made in a family.

206. CSSA only deals with applications within a household and financial support across households are normally not taken into consideration. For instance, applying CSSA for elderly moved into private elderly homes was quite a common practice and whether their family members contributes to the home expenses was not normally counted in such CSSA applications.

207. In the CSSA system, there are different standard rates for people with special needs. For example, while the standard rate for an able-bodied adult family member in a family of 4 or more persons is \$1,200, the standard rate for a 100% disabled adult family member is \$2,170, and the standard rate for an adult family member needing constant attendance is \$3,335<sup>12</sup>. These different standard rates provide additional financial support to families who have to care for members with special needs.

208. Different supplements are also provided for applicants facing special needs, including Single Parent Supplement for single parent families; Long-term Supplement to families with old, disabled or ill-health members to replace household and durable goods, and Community Living Supplement to severely disabled persons who are not living in institutions.

The relevant elements of policy related to Criterion 1.2: The policy sets realistic (any) expectations for families to assume care-giving and/or financial responsibilities

209. The CSSA system assumes that family members will look after each other and share resources. Application to CSSA has to be made in a family. CSSA is paid to the applicant assuming that the applicant will responsibly use the CSSA for the benefit of the whole family. However, there is no mechanism available to ensure such assumptions would be valid.

*What if the applicant spends money irresponsibly disregarding needs of the family?*

210. In cases where the applicants are spending money irresponsibly such as gambling or drug abuse, the other family members would suffer.

211. When such cases involved a couple, the other party can make a case to the Social Welfare Department (SWD). However, there is apparently inconsistent treatment to

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<sup>12</sup> These rates are as of December 1, 2007.

such cases. According to some of the participants in the focus groups and interviews, the SWD staff would say that they could do nothing unless they go for divorce. On the other hand, the response from the SWD senior management said that they could change the applicants to the other party in such cases.

212. When such cases involved single parent families and there is no other adult in the family and if the applicant is spending money irresponsibly, the field unit of the SWD would not be able to detect such cases, until such cases are discovered by some other service units that have come into contact with the children who are suffering.

*Mutual financial support among family members – elderly*

213. One of the contentious issues is related to the application of elderly persons for CSSA and whether they must apply together with family members living together. There are allegedly cases where elderly persons living with the families of the children but their children's families were unable to provide the necessary financial support and yet were not willing to apply for CSSA, leaving the elderly in destitute though living together. There is apparently variation in actual practice. Though in policy the elderly has to apply with their family members living together, if the elderly claims that his/her family cannot provide the necessary financial support, it is up to the discretion of the SWD to grant approval to such application.

*Mutual financial support among family members –young adult children*

214. When children grow up and start earning money, families receiving CSSA would immediately face the dilemma of whether the adult child should stay with the family. For those children obtaining a first degree and managed to obtain a well paid job over \$20,000 a month, the family would be able to leave CSSA. However, many of these young adults can manage only to earn a salary of around six to eight thousand dollars, and if they stay with the family, the maximum income disregard for them would be only \$2,500 which is usually considered to be far from adequate for a young adult for his/her work related expenses and social life. Furthermore, if the young adult is still having government loan accumulated during his/her post-secondary studies, it would be even more difficult. In many cases, the adult children choose to leave the family. This situation is far from being ideal.

The relevant elements of policy related to Criterion 1.3: The policy does not provide incentives for the family function to be performed by some other persons outside the family

when there is no such necessity

215. The Community Living Supplement in the CSSA system provides \$105 payable to severely disabled persons who are medically certified to be 100% disabled or in need of constant attendance and who are not living in institutions. Apparently, this supplement would give a small incentive for families to look after their needy members. However, compared to the existing level of subsidy given to institutional care, e.g. \$10,989 for nursing homes (2006-07 actual figure<sup>13</sup>), this community living supplement as an incentive is indeed very small.

216. There are many different special grants to enable the family to use various types of community support services such as home help or integrated home care service. These special grants are usually paid accordingly to the actual service fees. As most of these types of community support service are provided on the basis of need subject to the relevant need assessment process (such as the Standardized Care Need Assessment Mechanism for Elderly Services), the provision of these special grants in CSSA is, in general, consistent with this Criterion.

The relevant elements of policy related to Criterion 1.4: The policy assesses and balances the competing needs, rights, and interests of various family members across generations

217. As mentioned earlier, the CSSA is paid to the applicant as a lump sum and it is basically up to the applicant to decide how the family can spend the money among members of the family. Usually, members of the family do not know how much each one of them is eligible to obtain. The question related to whether the amount that each member of family is eligible should be made known to each member is debatable. While some participants of the focus groups and interviews considered such knowledge is a matter of right, some participants considered that such transparency can also lead to conflict among family members. However, if such transparency can lead to conflict among family members, it is probably not due to the transparency but due to poor family relationship. Such conflict may not be avoidable even when such information is not made available to each member of the family. Thus, on the balance, transparency appears to be a more reasonable arrangement.

218. Also mentioned earlier, there are many different types of supplements related to different needs of the family or needs of individual members. Some of these items are paid to the CSSA applicant as part of a lump sum. For example, a flat-rate grant is payable to

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<sup>13</sup> HKSAR Government, 2008-09 Budget Estimates, Head 170 Social Welfare Department.

full-time students up to senior secondary level for some school related expenses such as books and school uniforms. However, whether the applicant would “designate” such amount for the specific purpose is unknown. In other words, the ability of the CSSA system to balance the competing needs, rights, and interests of various family members is rather limited by design.

219. One reason for the limitation of the CSSA in meeting this criterion is the “cash basis” given as a lump sum to the applicant of a CSSA case. The advantage of such arrangement is the flexibility given to the family in using the CSSA payment and the reduction of administration work on the part of SWD. The major disadvantage of such arrangement is the reliance on the ability of the applicant to use the CSSA responsibly and fairly in meeting competing needs of each family member. Given the vulnerability of families in welfare, without any support, the ability of the many CSSA applicants to use the CSSA fairly in meeting competing needs of each family member would be doubtful. The idea of providing some kind of home finance management support services to new CSSA family cases had been suggested from time to time.

The relevant elements of policy related to Criterion 1.5: The policy recognizes the connectedness of families to wider kin

220. The CSSA operates with “under the same roof” principle, i.e. those living together in the same household except for those living in institution. Thus, relatives who are living together in the same household will be eligible to apply for CSSA together.

The relevant elements of policy related to Criterion 1.6: The policy enhances parental competence and promotes knowledge, skills and commitment necessary for raising children

221. This criterion appears to be not relevant to CSSA if we take it as purely a financial assistance programme provided to needed families. However, if we consider the CSSA system as a possible initial point of contact to vulnerable families, there is basically no formal linkage between the CSSA system and the other family support services provided by the SWD or NGOs, except when SWD field unit staff spot accidentally the need for such families to receive support services from other social service units. While the SWD field unit staff members are not trained specifically for such assessment of needs, even when they refer the cases to other social service units, such as integrated family services centres, the CSSA applicants without awareness of such need or not motivated to seek help may not turn up in these social service units at all.



222. The limited ability of the CSSA system in this area is apparently part of the consequence of separation of social security and social work service since 1979 restructuring of the SWD.

The relevant elements of policy related to Criterion 1.7: The policy affects families' ability to balance paid work and family

223. Able-bodied adults without reasons acceptable to the SWD must actively seek full-time employment and participate in the Support for Self-reliance Scheme (SFS) including the Active Employment Assistance Program (AEA) and the Community Work Program. Under the AEA programme, the SWD has also commissioned NGOs to operate Intensive Employment Assistance Projects (IEAP) to help CSSA recipients and near-CSSA recipients seek paid employment. Under the IEAP, NGOs also provide employment-related counseling and training services.

224. A person aged 15-59 in normal health having to look after young children or sick or disabled family members can be exempted from participating in the SFS. For instance, single parents or child carers with the youngest child aged 14 or below are exempted from the job requirement. The New Dawn (ND) project was launched in April 2006. This is an employment assistance program for single parents and child carers on CSSA whose youngest children are aged 12 to 14.

225. Training/retraining allowance received by recipient can be disregarded up to a maximum of \$1 675 for monthly training allowance or as part of a lump sum training allowance, the remaining amount will be counted as income.

226. The provision of Disregarded Earnings (DE) aims to encourage CSSA recipients to find and maintain employment. All categories of recipients on CSSA for not less than two months are eligible for the first \$800 income totally disregarded, and with 50% of the subsequent \$3,400 income disregarded, i.e. a maximum of \$2,500 of income disregarded. Any additional income beyond \$4,200 will result in having the same amount cut in the CSSA payment. Furthermore, the first month's income earned by a recipient aged 15 or above from a new job can be totally disregarded on condition that the recipient has not benefited from this provision during the past two years.

Impact Analysis related to Principle 1

227. The spirit of the CSSA basically assumes the mutual support, including financial support,

among family members when they are living together, but not necessarily otherwise. This assumption extends to the wider kin as long as they are living together.

228. The CSSA policy provides additional financial support to families with special needs.
229. At present, as the enforcement of alimony is limited and because of the fear that maintenance payment would be irregular or defaulted, many divorcees choose to ask for only a nominal amount of maintenance of \$1 and apply for CSSA instead. This consequence, in fact, allows the other party to shed off their responsibility to the separated family, particularly their responsibility to their own children under the custody of their divorced partners. This impact is apparently not directly a result of the CSSA system, but a direct consequence due to the absence of an alimony enforcement agency in Hong Kong coupled with the safety net of the CSSA system.
230. The expectation that low-income families can provide financial assistance to their elderly parents or the expectation that young adults after joining the labour force can provide full support to the family household income is a bit too high and for many families this is not realistic.
231. There is no mechanism in place to ensure that the applicant will use the CSSA payment reasonably and fairly to meet the different needs of various family members.
232. There is additional financial support available for those needing community support services such as home help services. However, for those 100% disabled or in need of constant attendance, the incentive for them to live in the community (i.e. the \$105 community living supplement) constitutes less than the 1% of the corresponding cost in institutional care.
233. There is no provision within the CSSA system and strong linkage with the social work services provided by SWD or NGOs to help enhancing parental competence and promoting knowledge, skills and commitment necessary for raising children.
234. For single parents and family carers, the CSSA provides options for them to choose either working or taking care of younger and needy family members at home. The age of the youngest child is used as the major yardstick and has always been a subject of debate in this policy. For instance, the pilot New Dawn Project penalizing<sup>14</sup> single-parents with youngest children 12-14 for not participating in the Project with

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<sup>14</sup> That is a cut of \$200 from the monthly CSSA payment.

acceptable reason has been a dispute between the advocacy groups and the government. The present age of youngest child set at 14 or below can be considered to be quite lenient if compared to international standards<sup>15</sup>.

235. While there is a general consensus that we should encourage and support single parents on CSSA to participate in the society before their youngest child reaches the age of 15, the debate is on whether such participation is necessarily related to work and whether they should be penalized if they do not participate.

236. It is obviously that CSSA alone cannot help families to obtain better balance between paid work and family. For instance, it requires the employers of the society to provide a more family-friendly working condition. On the other hand, there is no simple answer to the question of what the right balance between family and work should be, and different families would have different values towards work and family. The determination of social norms in this subject can always be and can only be a matter of continuous debate. The most relevant consideration for the CSSA system is whether it provides sufficient options for families to choose.

237. The disregarded earning provision allows CSSA recipients to work and to retain part of the earnings. Given that an amount equivalent to earning over and above \$4,200 would be totally deducted from the CSSA, there is basically no incentive for recipients to earn more than \$4,200 or it becomes an inducement for fraud. It is necessary to improve this system to avoid such arrangement being deterrence for economic advancement among the CSSA recipients. (This issue will be picked up again in later discussions.)

## **Principle 2 Family membership and stability/ Family formation and dissolution:**

238. This principle states that the policy should encourage and reinforce marital, parental and family commitment and stability, especially when children are involved. The relevant criteria for this principle are:

- Criterion 2.1 The policy supports family decision to marry instead of divorce or separate.
- Criterion 2.2 The policy supports families to give birth to, foster, or adopt children
- Criterion 2.4 The policy allocates resources to help keeping the family together when this is the appropriate goal

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<sup>15</sup> For example, in many states of the U.S., the age limit is 12 months or 6 years if no child care is proven to be not available except in a great distance.

- Criterion 2.5 The policy recognizes that major changes in family relationships such as divorce or removal of second generation are processes that extend over time and require continuing support and attention

The relevant elements of policy related to Criterion 2.1: the policy supports family decision to marry instead of divorce or separate.

### *Divorce*

239. Though there is no apparent incentive for divorce or getting married under the CSSA system, the availability of CSSA provides a safety net to the party of a marriage who is financial dependent on the other party who may not be either behaving responsibly or abusing the spouse or the children. Without CSSA, divorce would be a very difficult option for these individuals in vulnerable circumstances.

240. Similarly, allegedly there are cases of breadwinner “abandoning” the family for the reason that their income is insufficient to support their families while the CSSA is an adequate alternative. As a matter fact, owing to the low wage in many sectors of the economy in Hong Kong, a substantial portion of the major breadwinners of families are not able to earn a living wage. While the CSSA is meant to enable families to obtain a basic level of living in Hong Kong, the level of CSSA payment is over and above the level of income of many families that they can earn in the labour market. Though, theoretically, low-income families living below the CSSA level can apply for CSSA, the misunderstanding that if one works one cannot receive CSSA is not uncommon in Hong Kong. It is possible, though sounding more like an “excuse” or at least not sufficiently rational, that there are individual citizens of Hong Kong believing that since their wages are not sufficient to meet the daily needs of their families and it would be “better” for them to leave their families to the CSSA system.

241. The treatment of cases where the applicant did not spend the CSSA responsibly and with due regard to the various needs of the family members can vary from field unit to field unit depending on the judgment and discretion of the SWD staff. As mentioned earlier, some participants of focus groups and interviews indicated that sometimes the field unit staff would advice the other party to divorce the applicant before the SWD can do anything.

### *Elderly*

242. Owing to the difficulty of applying for CSSA if the elderly is living with children's family, some elderly choose to leave their children's family to live alone and apply for CSSA. The requirement for elderly to apply CSSA together with their children if they are living together, though giving a message to the public that adult children are "supposed" to look after their elderly parents, leads to the consequence of having many elderly living alone or in institutions, and it is not consistent with this Criterion.

#### *Young Adult Children*

243. As mentioned in the discussion of the previous principle, the tendency of having young adult children to leave their family in CSSA upon their joining the work force is again not consistent with this criterion.

#### The relevant elements of policy related to Criterion 2.2: the policy supports families to give birth to, foster, or adopt children

244. In the CSSA system, there is a 10% and 20% reduction in standard rate for a family of three and a family of four or more respectively. Thus, the incentive to give birth to more children to increase the total CSSA payment is practically very little.

245. The availability of CSSA provides a safety net for single-parents who are pregnant to decide whether they should deliver the baby or not, at least not purely basing on financial consideration or constraint. Similarly, there were cases where the parents of un-wed mothers were on welfare and the un-wed mothers decided to deliver their babies and left the care of their babies to their own parents and continue living their own "independent" life without giving much care to their own babies.

246. Only in March 2008, the SWD adopted a policy that if both parents of a child are not residents of Hong Kong and "foster" their child to the care to another person, such as a relative, in Hong Kong, this other person cannot apply CSSA for the child alone. Such person would have to apply for CSSA together with the child.

247. Normally, the financial condition of an applicant of adopting an unrelated child is a factor of considering approval to the application. Such process is not part of the CSSA system. On the other hand, adopted children are treated the same as any biological children within the CSSA system.

#### The relevant elements of policy related to Criterion 2.4: the policy allocates resources to help

keeping the family together when this is the appropriate goal

248. The CSSA system provides child-care grants to cover fees for attending day crèche (aged 0-2) or child care centre (aged 2-3), and for receiving occasional child care services provided by designated pre-primary institutions. These grants allow parents on CSSA to obtain the necessary community support in caring for young children when there is genuine need.

The relevant elements of policy related to Criterion 2.5: the policy recognizes that major changes in family relationships such as divorce or removal of second generation are processes that extend over time and require continuing support and attention

*Single-parenthood Adjustment Process*

249. Divorce usually involves a long and exhausting process. Many participants of focus groups and interviews mentioned that the usually less than friendly process of CSSA application adds to the psychological pain and turbulence of the divorcees. While the staff members of the SWD field units are not trained to provide empathetic response to applicants in such circumstances, they are tasked to look at the “facts” of application and to ensure no fraud, their “attitude” was frequently criticized by clients groups.

250. Moving into single-parenthood itself is a difficult process for many. While there are services provided to single parents in integrated family service centres and community centres, the field unit of the social security service is the first point of contact for many single parents who had financial difficulties. A strong link between the field unit and the other social service units would be important to the adjustment of these single-parents.

*Adult children joining the labour force*

251. It would normally take several years before young adult children can grow financial independent and to the extent that they would be able to financially support their parents. However, the method of calculation of household income and the limited amount of disregarded earning in CSSA does not allow such process to take place in its natural pace. These young adult children have to choose almost immediately to stay or to remain with their parents after they have joined the work force.

252. On the other hand, owing to the relatively higher unemployment rate for young persons and relatively lower wage income for them, and the issue of CSSA mentioned above,

many CSSA parents are basically either indifferent or at most ambivalent to whether they should encourage their unemployed adult children to seek work actively.

### Impact Analysis related to Principle 2

253. The requirement of application of CSSA on a family basis has some possible negative impact on families including elderly persons opting to live alone simply for financial reasons and young adult children leaving their parents' family upon entering into the labour market.

254. CSSA provides the financial security to single parents to take care of their family. This is particularly important to families suffering from domestic violence. On the other hand, CSSA can become a reason for divorce due to inadequate income, and some field unit staff members of SWD might even suggest the party whose partner being the applicant of CSSA has deserted the family to divorce his/her partner so that s/he can become the applicant of CSSA.

255. Though CSSA is quite neutral to fertility or adoption, it provides the financial security to pregnant mothers who otherwise would have chosen abortion for financial reason.

256. The available of child care grants in CSSA provides the necessary support to parents who want to live with their own children and needing day care.

257. Apparently, the existing provisions of CSSA do not indicated that the policy recognizes the painful and long process of adjustment due to single-parenthood and the considerable length of time required for adult children to grow financially independent and to be able to support their parents financially.

### **Principle 3 Family participation, partnership and empowerment:**

258. This principle states that the policy should emphasize the importance of partnership between government, agencies, communities and families in meeting the needs of family, and encourage individuals and their close family members to collaborate as partners with program professionals in the delivery of services to an individual. The relevant criteria in this principle related to CSSA are:

- Criterion 3.1 The policy builds on informal social support networks (such as community/neighborhood organizations, religious communities) that are essential to families' lives of different generation

- Criterion 3.2 Opportunities are provided for families to participate in the development, implementation, delivery and evaluation of policies
- Criterion 3.3 The policy considers the importance of partnerships between government agencies, communities and families in meeting the needs of families
- Criterion 3.4 The policy or program prevents participating families from being devalued, stigmatized or subjected to humiliating circumstances
- Criterion 3.5 The policy provides full information to families

The relevant elements of policy related to Criterion 3.1: the policy builds on informal social support networks that are essential to families' lives of different generation

259. The CSSA is strictly a formal and institutional type of service provided by a government department with little leverage on the informal social support networks in the community.

The relevant elements of policy related to Criterion 3.2: opportunities are provided for families to participate in the development, implementation, delivery and evaluation of policies

260. While there were from time to time seminars and forums organized by social welfare organizations or advocacy groups providing opportunities for families to participate in the development, implementation, delivery and evaluation of CSSA policy and practices and SWD was invited to participate in these seminars and forums, there have not been much direct initiatives from the SWD in providing such opportunities of participation.

The relevant elements of policy related to Criterion 3.3: the policy considers the importance of partnerships between government agencies, communities and families in meeting the needs of families

261. The District Social Welfare Offices of the SWD serve as the major platform for the interaction of SWD service units with the various stakeholders in the community including other government departments, NGOs, community groups, local business sector, and district council members. Social security staff members did participate in this type of platform.

262. NGOs are the major partners of the SWD in providing the Intensive Employment Assistance Projects to help CSSA recipients and near-CSSA recipients seek paid employment.



The relevant elements of policy related to Criterion 3.4: the policy or program prevents participating families from being devalued, stigmatized or subjected to humiliating circumstances

263. It is well recognized that there is considerable stigma on CSSA recipients. This stigma has effectively become deterrence to people in need of financial assistance. While self-reliance is an important social norm in Hong Kong, the promotion of self-reliance in the publicity of the Government can also strengthen the public impression that the CSSA recipients are dependent. Moreover, while the Government was rightly trying to combat abuses in CSSA, the publicity in doing so would also strengthen the mistrust of the public towards CSSA recipients.

264. Participants in the focus groups and interviews mentioned that many CSSA recipients in the process of application frequently felt humiliated because of the “interrogative” style of some field unit staff members. While we understand that the field unit staff members are charged with the responsibility of avoiding fraud and abuses, the inquisitive style of some staff members can create substantial discomfort in the applicants who normally possess low self-esteem already.

265. Stigma of the CSSA system can exacerbate the vulnerability of the needy families receiving CSSA. CSSA recipients with relatively low self-esteem would find it very embarrassing to disclose their status. Subsequently, many families on CSSA become rather socially withdrawn and even more isolated. Such state of social isolation adds to the vulnerability of these families, particularly the future development of the children in these families. Similarly, the unwillingness of these families to disclose their CSSA status also becomes the major barrier for the children of these families to participate in extracurricular activities in schools or other social services in the community as they would have to disclose their CSSA status in order to have the fees waived.

The relevant elements of policy related to Criterion 3.5: the policy provides full information to families

266. The CSSA is a very complex system. Though a Guide to CSSA was made available to the public in the internet, it is obvious a much simplified version as compared to the manual used by the field unit staff.

Impact Analysis related to Principle 3

267. The CSSA policy and related practices do not fare very well in this principle with respect to the various criteria except for Criterion 3.3, which can also be strengthened. The most serious criticism from advocacy groups towards the CSSA system is the stigma that it has created and the part that the Government has played in reinforcing such negative impression in publicity related to combating abuses in CSSA.

**Principle 4 Support of vulnerable families/ family living standards:**

268. This principle states that families in greatest economic and social need should be included in the policy. The relevant criteria related to CSSA policy are:

- Criterion 4.1 The policy gives support to families who are most vulnerable and have the fewest resources
- Criterion 4.2 The policy affects families' ability to maintain an adequate standard of living
- Criterion 4.3 The policy affects families' ability to advance economically and build family assets

The relevant elements of policy related to Criterion 4.1: the policy gives support to families who are most vulnerable and have the fewest resources

269. CSSA is a means-tested system with both income and asset tests. This ensures that only families most vulnerable and having fewest resources would be given support.

270. However, as discussed earlier, the stigma associated with the CSSA and the public sentiment that the poor who are not receiving CSSA as “noble” (“高尚人格”) or resilient (“有骨氣”) have deterred many needy families to seek financial assistance from the CSSA.

271. There is also common misunderstanding, partly due to the stigma, that those receiving CSSA are not working and hence if one works, one would not be able to obtain CSSA, has deterred many low-income families seeking financial supplement from the CSSA.

272. The issue of asset limit for households with elderly members has always been a debate as exemplified in the discussions in the Commission on Poverty (2005-2007). The current limit, e.g. \$34,000 for a singleton elderly, is usually considered to be too low.

The relevant elements of policy related to Criterion 4.2: the policy affects families' ability to maintain an adequate standard of living

273. CSSA system provides financial assistance to bring the income of needy individuals and families up to a prescribed level to meet their basic needs. Any person or family's total assessable monthly household income insufficient to meet their total monthly needs will be recognized under the system.

The relevant elements of policy related to Criterion 4.3: the policy affects families' ability to advance economically and build family assets

274. Under the CSSA system, there are prescribed limits for both asset and income. Any cases earning or saved more than the limits would be off CSSA. There is apparently no incentive for CSSA recipients to save and accumulate family pecuniary assets.

275. The provision of disregarded earnings aims to encourage CSSA recipients to receive training and to find and maintain employment. However, as discussed before, there is a limit to disregarded earnings and, at present, there is no incentive for CSSA recipients to earn more than \$4,200 per month.

Impact Analysis related to Principle 4

276. The CSSA system provides support to families in economic need. However, owing to its associated stigma, substantial portion of needy families did not apply for assistance, and owing to the asset limit, income limit, and limited disregarded earnings, there is little incentive to CSSA recipients to improve their own level of standard of living.

277. The adequacy of CSSA in meeting basic needs of families has always been a subject of public debate over the whole history of CSSA. There are groups from time to time advocating for improvement in CSSA rates, while there are also from time to time expressed views from the public that the CSSA rates are already higher than the earnings of a substantial part (e.g. 20-25%) of the working population.

**Principle 5 Family Diversity**

278. This principle states that the policy should take into account their varying effects on different types of families and should acknowledge the value of diversity of family life. The relevant criteria related to the CSSA policy are:

- Criterion 5.1 The policy addresses and balances the diversity of family needs, values and behaviour of families from diverse background and composition.

- Criterion 5.2 The policy ensures that all family types have access to effective services and does not discriminate against or penalize any types of families without good justifications

Criterion 5.1: the policy addresses and balances the diversity of family needs, values and behaviour of families from diverse background and composition.

279. There are different rates for different types of individuals, e.g. children, adult, and elderly. There are also higher standard rates for those who are ill-health/50% disabled, 100% disabled, and requiring constant attendance.

280. There are different types of supplements to meet diverse needs of families, e.g. long-term supplement to families involving any member who is old, disabled or ill-health for the replacement of household and durable goods, single parent supplement and community living supplement.

281. There are also many special grants to meet specific needs of individuals and families, such as higher housing rent allowance, utility expenses, domestic removal, telephone fees for elderly/disabled persons living alone and needing emergency help at times, special diet grants, cost of glasses and dental treatment, child care and school grants, etc.

Criterion 5.2: the policy ensures that all family types have access to effective services and does not discriminate against or penalize any types of families without good justifications

282. The seven years residence requirement for CSSA has always been controversial. There are many cases where one individual of the family, usually the spouse who is a recent new arrival, is not eligible for CSSA and hence that person has to “share” the CSSA with the other family members. For example for a single-parent family, with the parent being a new arrival plus two children, the family of three would have to live on the CSSA payment of the two children and it is basically rather inadequate.

283. Though publication material related to CSSA is printed in both English and traditional Chinese, language is the common problem for ethnic minorities in seeking help and obtaining sufficient information. Though the field unit established good connections with different local organizations that support the provision of services, such as translation, for the ethnic minorities, the arrangement would be relatively less flexible, i.e. requiring a much earlier appointment and translation arrangement, than other residents of Hong Kong.

### Impact Analysis related to Principle 5

284. In general, the CSSA complies with the criteria of Principle 5, though there were debates from time to time about the extent that CSSA can provide for certain special needs, e.g. glasses for children, and about the 7-year rule for new arrivals.

### **Overall FIA on CSSA**

285. This policy is specifically aiming at families needing financial assistance and such effort is primarily remedial. While it is offered to all families but its aim is to place CSSA as the last resort of financial support, especially for the able-bodied adult.

286. The major objective of CSSA is to provide the necessary financial support for needy individuals and families to meet the basic level of living in Hong Kong. The system of CSSA including its method of calculation, eligibility criteria and various level and types of assistance has significant impact on families which are eligible to apply or receiving CSSA.

287. Though CSSA, by itself, is a financial assistance programme, it should not be seen as a stand alone system. It should be seen as part of the welfare and social service system to help needy and family with vulnerable families. Strengthened work relationship between the field unit of the social security office and other social service units, such as integrated family service centre, would be needed to provide better support to needy and vulnerable families.

288. Treating families as a unit in their application and assuming, somehow requiring, family members to support each other, at least financially, is well-intentioned and consistent with the predominant social and family values in Hong Kong. However, there are obvious undesirable consequences, at least for low-income families and individuals, as in the case of elderly living with the low-income family of their children and the case of low-income young adult children whose parents are receiving CSSA. They have to leave their families primarily because of the eligibility criteria for CSSA application and the method of calculating household income.

289. The issue of enforcing alimony payment has been a matter of concern from time to time and CSSA has become an alternative to unstable or unpredictable alimony payments. This has practically replaced the responsibility of the “defaulting” parents who

supposedly should be providing the necessary and affordable financial support to their own children under the custody of their ex-spouses. This is apparently not a socially desirable phenomenon. However, the debate of whether we should have an alimony payment enforcement agency is outside the scope of CSSA unless the SWD becomes the enforcement agency.

290. The assumption that the applicants for CSSA would be able to manage their family expenditure fairly, responsibly and efficiently is not always valid. There is apparently no mechanism in place to check if such assumption is valid for individual families and actions would only be taken on complaints, and in many instances great suffering can have been occurring for a considerable time before such cases are discovered, e.g. children neglected by irresponsible parents.

291. There are also cases where special grants have been made to families receiving CSSA and yet they default payments to the respective services or use the money for other purposes, e.g. drugs and gambling. Possible arrangement of direct payment to the service providers, e.g. housing landlords, schools, etc., would reduce the number of such incidents. However, the issue of stigma and protection of privacy has always been a balancing concern, as direct payment by SWD will inevitably reveal the fact that the family is receiving CSSA.

292. The seven year rule for CSSA creates substantial financial hardship to families with new arrivals, particularly smaller families, receiving CSSA. To make CSSA consistent with its own basic construction, i.e. families should be sharing resources and having mutual support among members, and the family should be treated as a whole family, the seven year rule should be reviewed. For example, in a case of a single parent family with one or two young children and the single parent being a new arrival, they should still be eligible for CSSA as a whole family.

293. Income disparity of Hong Kong is highest among all developed economies. Without other measures such as minimum wage or negative income tax, CSSA would be inevitably facing the dilemma that, by meeting the basic standard living in Hong Kong, it provides a level of income higher than that of a substantial portion of the earning population who cannot obtain a living wage. This issue cannot be resolved by the CSSA system alone.

294. The issue of adequacy of CSSA in its standard rates and special grants will also be a subject of public debate. We will expect as public attitude changes over time, the

balances of such debate will shift accordingly from time to time.

295. The poverty of elderly has been a discussion in the Commission on Poverty (2005-2007) and in the public for some time. Two remaining issues related to the CSSA have remained un-resolved, namely, the asset limit of elderly household and elderly living with lower income families needing to apply with their families for CSSA.

296. To deal with the issue related to encouraging work and to keep adult children in the CSSA families, a suggestion raised during the discussion in the focus groups and interviews is to set up an account under CSSA to save all the deducted earnings over and above \$4,200 until the balance exceeds two times of the total family asset limit, and the balance will be paid to the family which subsequently would be released from the safety net.

## **Chapter 8**

### **Concluding Remarks**

297. This study tries to capture the international experience in their application of family impact analysis (FIA) and to develop a relevant framework of FIA for Hong Kong, both in terms of a mechanism and an instrument.

298. Owing to this study being basically a research process, the discussion on the mechanism is primary on conceptual level and the construction of the proposed mechanism in Chapter 4 remains as a purely a proposal. The actual process has yet to be deliberated by the Hong Kong Government as advised by the Family Council.

299. In the case study related to public rental housing, there has been some difficulty in recruiting interviewees and focus group members. Many individuals who had declined our invitation to attend interviews or participation in focus groups commented that while they knew about public rental housing policy, they knew very little about family policy. Because of this reason, the number of interviewees and participants in focus groups within this case study appeared to be quite small. This is, in fact, also an indication of the general lack of focus of looking at the public rental housing policy from a family perspective. On the other hand, the written reply of the Housing Department with respect to the various questions raised for each criterion provided ample information for the purpose of this study.

300. In the case study related to CSSA, probably because of some of controversial features within the scheme, the recruitment of interviewees and focus group participants has been quite satisfactory and sufficient for the purpose of this study.

#### **The FIA Checklist**

301. The FIA checklist described in Chapter 5 was developed through the literature review. During the case studies of public rental housing and CSSA, the checklist had been restructured and fine-tuned for quite a number of times during the whole research process, i.e. before, during and after the interviews and focus groups, and throughout the process of analysis and report writing. Apparently, owing to the limited number of cases, i.e. two in this study, we would expect that this FIA checklist would require continuous improvement and fine-tuning in its future applications.

302. One major issue in constructing the FIA principles and criteria is the statement of value



towards families. In this study, we have tried to construct the FIA principles and criteria in terms of family value consideration instead of family value positions as far as possible, i.e. what are the family values that the policy should take into consideration instead of what the family value position that the policy should take. This is a very important guiding principle of drawing up the principles and criteria as we would expect that for almost every single family value there would be considerable variation among the public. If the principles and criteria can be written in a form that can cater for such variation, it would be much better. For example, in Criterion 1.7, i.e. “The policy affects families’ ability to balance paid work and family”, we did not spelt out what should be the “right” balance as while we would expect such balance can vary from person to person depending on their values towards family and work, and it is important for the policy to take this family value into consideration and to ensure the ability of the family to keep a “right” balance consistent with their own values and not being compromised by the policy.

303. However, the above guiding principle can only be applied within certain limits. There are always values that are either implicit or explicit in the principles and criteria. For example, statements such as “policies should support families” are by themselves value positions. Criterion 2.1 states that “The policy supports family decision to marry instead of divorce or separate”, and Criterion 2.2 states that “the policy supports families to give birth to, foster, or adopt children”, are explicit statements of social values towards cohesion and child rearing instead of otherwise.

304. Due to constraint of the scale of study, we had made no plans in this study to conduct any form of public engagement process or social survey to ascertain the set of values that would or could be incorporated into the FIA checklist. However, we noted in the study process that no interviewee or focus group participant had ever raised any doubt or query on the value position of any one of the principles or criteria. If the Government is going to employ such an instrument for FIA, it would be desirable to have an initial public engagement process in deciding what should be the basic principles and criteria that can be adopted for the FIA.

### **The FIA of Public Rental Housing Policy**

305. In the case study of public housing rental policy, we found that recent efforts had been made to improve the policy to become more family friendly. We also found that the policy is, in general, consistent with the principles and criteria of FIA and we identified two key elements of the policy that may have a negative impact on families and the

community life that they live in, namely, the disincentive for adult children to stay with their parent families once start earning money and the social mix in housing issues.

306. One recommendation of the study is to adjust the income limit of households with adult children earning money by treating each adult child as a sub-household-unit. The adjusted income limit of this type of households would be equal to the total of the income limit for the parent-household plus the income limit for the child's sub-household. This slightly increase income limit will reduce the disincentive for adult children to stay with their parent families.

307. Another recommendation is to deal with the concentration of aging population in older urban estates and the concentration of young families and vulnerable families in new towns, i.e. by giving more choices or higher priorities to young families and vulnerable families in existing urban housing estate and giving more choices to mature families that seek space improvement to move to the new towns.

### **The FIA of CSSA**

308. While the formulation of the CSSA is basically consistent with its primary objective of providing the necessary financial support to families to obtain a basic of living in Hong Kong and it basically assumes that family members will be helping each other and sharing resources, many provisions within the CSSA was found inconsistent with some of the principles and criteria of the FIA. For instance, the seven-year rule, when it applies to a member or some members of a family under the CSSA, is not consistent with its primary objective, i.e. it fails to provide the necessary financial support to families with new arrivals to obtain a basic level of living.

309. Owing to the requirement of family members living together to apply for CSSA as a single unit, while it enforces the value of mutual care among members of a family, it gives "incentives" for elderly persons and young adult children to leave their family. It is a matter of public debate to deal with the issue whether elderly persons living with their children families can apply for CSSA on their own. This study proposed to establish a type of saving account for CSSA recipients for their earnings over and above \$4,200 per month and this will encourage young adult children to stay with their families and at the same time also helps to deal with the issue of lack of incentive to encourage CSSA recipients to earn more than \$4,200 and ultimately enough to leave CSSA.

310. The seven-year residence requirement has always been a matter of controversy prior to and since its implementation in January 2004. As the CSSA system assumes that members in a family share resources among themselves, the implementation of this rule will imply that the non-entitled member in the family will share the CSSA of the other entitled members. Assuming the CSSA is just sufficient to enable families to obtain a decent level of basic living, families with non-titled members under the seven-year rule would definitely be unable to obtain a decent level of basic living and this is not consistent with the basic objective of CSSA.

311. The subject of CSSA has always been quite controversial as regarding to the adequacy of its level of assistance, stigma, and eligibility criteria (such as asset limit for elderly households, and the seven-year residence requirement). While the issues of adequacy of assistance and eligibility criteria are all issues of public debate and should be reviewed from time to time in view of changes in public attitudes and values, the issue of stigma has never been dealt with quite seriously in government policy. On one hand, the existence of stigma has deterred many needy families to come forth to apply for CSSA. On the other hand, it also means a lower financial load on the government budget. The promotion on combating abuses in CSSA has indirectly added to the stigma of CSSA. A clearer policy direction is needed to ensure a better balance on this subject. At least, in promotion of self-reliance or against abuse, efforts should be paid to avoid adding stigma to the CSSA recipients.

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