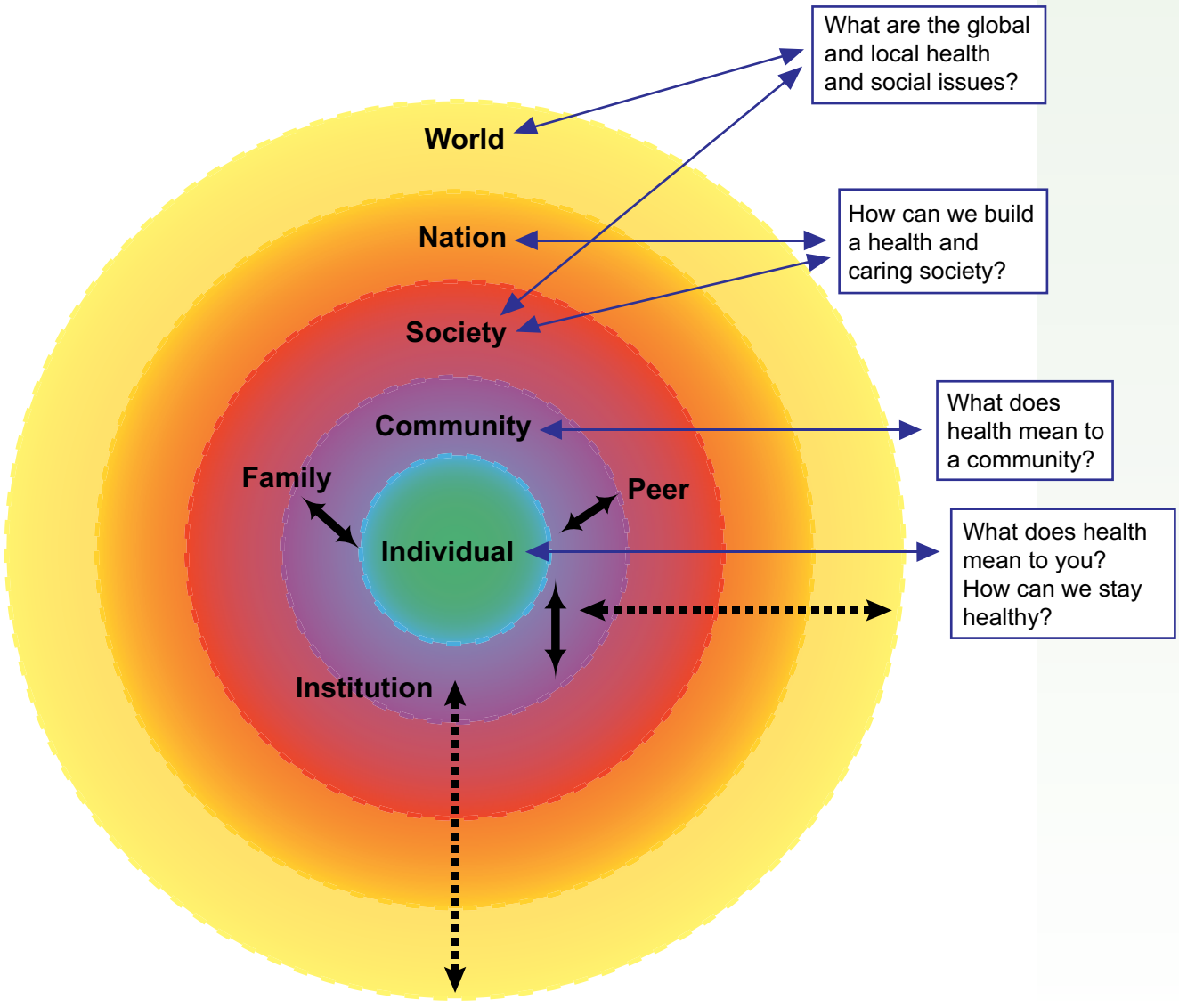
13
Health and Social Care Policies

Health Management and Social Care (Secondary 4-6)

Health Management and Social Care Booklets

The design of the HMSC curriculum rests on the notion of the interconnectedness of the various levels at which phenomena related to health and sickness, well-being and ill-being, and personal and community care are to be understood. The curriculum aims to enable students to explore all of these levels as well as the relationships between them. The different levels can be interpreted as the individual, the family, the peer group, the community, the institutional setting, society, the nation and the world (Figure 1).

Figure 1 The Various Levels and Essential Questions of HMSC



This part includes 19 booklets of learning and teaching reference materials for teachers. The topics and information in these booklets are selected and organized based on the five essential questions from various levels mentioned in the curriculum design in Chapter 2 of the Health Management and Social Care Curriculum and Assessment Guide (Secondary 4-6)(2007). The booklets facilitate teachers to develop an overall framework of HMSC and identify the key concepts of the curriculum so that their students will be more able to critically assess the relevant issues. Details of these booklets are as follows:

Levels	Essential Questions	Booklets	
Individual, Family and Peer	What does health mean to you?	1	Personal Needs and Development across Lifespan
		2	Health and Well-being
	How can we stay healthy?	3	Physical Well-being - Healthy Body
		4	Mental Well-being - Healthy Mind
		5	Social Well-being - Inter-personal Relationship
Community	What does health mean to a community?	6	Healthy Community
		7	Caring Community
		8	Ecology and Health
		9	Building a Healthy City
Society	How can we build a healthy and caring society?	10	Health Care System
		11	Social Welfare System
		12	Medical and Social Care Professions
		13	Health and Social Care policies
		14	Social Care in Action
Local and Global Societies	What are the local and global health and social issues?	15A	Health and Social Care Issue - Ageing Population
		15B	Health and Social Care Issue - Discrimination
		15C	Health and Social Care Issue - Domestic Violence
		15D	Health and Social Care Issue - Addiction
		15E	Health and Social Care Issue - Poverty

Each booklet will start with the essential questions. The expected learning outcomes in terms of knowledge, skills, value and attitude as well as the content outline will be listed as an overview. Teachers are advised to adapt and flexibly use the materials based on school or community situation, background of students, interest, learning skills and the prior knowledge of students. Social issues as well as the graphic organizers that illustrated in Booklet 3.1.5 can be used to help student organize and analyze complex and abstract concepts, construct their knowledge effectively and achieve deep understanding.

How can we build a healthy and caring society?

The holistic concept of health has been elaborated from different perspectives and dimensions in Booklet 1 -9. In Ottawa Charter, definition of health is further elaborated as ‘a resource for everyday life, not the objective of living. It is a positive concept, emphasizing social and personal resources as well as physical capabilities.’ If health is the social and personal resources, it needs to be properly managed.

Simply speaking, management is to guarantee the use of resources in the most appropriate way in the most appropriate time and place through planning, organising, directing, coordinating and controlling the use. Management is not just the concern of government and commercial organisations. Non-governmental organisations and other social care organisations also need to be properly managed. Therefore, health management is planning, organising, directing, coordinating and controlling the resources to meet the health needs. In Booklet (10) to (14), it is explored how to achieve holistic health through organising, allocating and utilizing resources from the levels of the system, policy, professionals and professional services.

The topics of Health Management and Social Care Curriculum and Assessment Guide included in the Booklet 10-14 are listed in the following table:

Booklets		Topics in HMSC Curriculum and Assessment Guide
10	Health Care System	Compulsory part 2D Developments in the health and care industries
11	Social Welfare System	3B Developing health and social care / welfare policies 3C Implementing health and social care policies 3D Cultural and political disagreements and tensions 4A Disease prevention (primary, secondary and tertiary) and using precautions in our daily living patterns and lifestyles
12	Medical and Social Care Professions	Compulsory part 5A Professions in health and social services 5B Health and social care services and agencies
13	Health and Social Care Policies	Compulsory part 3B Developing health and social care / welfare policies 3C Implementing health and social care policies 3D Cultural and political disagreements and tensions
14	Social Care in Action	Compulsory part 4D Social care, healthy relationships, social responsibility and commitment in the family, community and groups 5A Professions in health and social services 5D Leadership in health and social care

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Contents

Learning Targets

Through the study of the topic on health and social care policies, students are expected to:

Values and attitudes

- Respect ideological are cultural differences

Knowledge

- Understand that health and social policies may be determined by various factors
- Understand conflicts and tensions in the health and social care context
- Analyse possible crises resulting from these tensions and disagreements and explore possible solution(s)

Key Questions

To achieve the above learning targets, teachers may use the following questions to enhance understanding:

- How does a society/nation promote health and social care?
- How does a society consider the allocation of resources?
- What are the factors affecting the development of a policy?

13.1 Social Policy

To understand social policy, we need to understand what is meant by "policy." Policy can be understood by the means and the ends. The means are used to achieve the ends. Policy refers to the ways in which the Government, institutions, organisations or individuals achieve goals through established programs in the planned and organised series of actions or activities. The first part of this booklet is to explore the concept of social policy. Then the health and social policy will be used as examples to illustrate relevant concepts. The various policies in the United States, the United Kingdom and Hong Kong will be compared to analyze policy considerations and discuss why there are needs for new policies. Lastly, policy issues arising from the allocation of resources will be addressed in order to help students master the relevant fundamental knowledge.

Social policy is a collective term for a series of policies, operational guidelines and provisions. It aims to solve social problems, promote social security, improve the social environment and enhance social welfare through national legislation and administrative intervention. Social policy can be understood in narrow and broad senses. In the narrow sense, social policy is often understood as policies for helping the disadvantaged and the working class. In the broader sense, social policy is the way in which a government introduces legislation and implements policy with regard to issues such as employment, education, health and social care. Social policy covers several main areas such as health, housing, education, social security, social care, transport and labour protection. It also encompasses the academic study of how different policies are developed and the impact that they have on the life of individuals and society.

(A) Policy Objectives

Residual model and institutional model of social welfare have been introduced in Part 11.6 of Booklet (11). The two models are developed from the three models of social policy introduced by Professor Richard Titmuss. The different orientations and aims of the three models are as follows:

Model	Assumption	Objective	Example
Residual	Social needs would usually be met via the family or private market. If the mentioned channels do not work, social welfare would play a temporary role.	To minimise government intervention so that people will not rely on the government.	The Medicaid in USA – only the low income individuals and families can receive assistance from the State.
Industrial / occupational achievement performance	Social welfare is the product of economy.	Social needs should be satisfied in terms of merit, work performance and productivity.	The reward of bonus and staff benefits in private institutions.
Institutional redistribution	Social welfare is a major system in the society. Generally, it includes systems of redistribution in command-over resources through time.	It provides universalistic services on the principle of need, outside the private market.	Sweden's policy of cradle-to-grave welfare.

(B) Policy Implementation Instruments

Policy implementation instruments are tools which can be used to implement the above policy objectives. The instruments can be categorised into five types according to their nature:

Nature	Principle	Example
Authority	To use government authority to ensure citizens' compliance to the policy	Legislation Arrestment
Incentive	To encourage compliance by using economic incentives	Taxation Subsidisation of Internship Programme for University Graduates
Capacity Building	To develop relevant capacity to achieve policy aims.	Education
Symbolic Rewards	To enhance compliance by arousing public awareness and understanding of the issues	TV Advertising Campaigns Award of Great Bauhinia Medal to entrepreneurs who have great contribution to society
Learning	To learn with citizens during the process of policy making in order to increase the capacity of planning, design and implementation of the policy makers	Consultation and Forum

(C) Process and Cycle of Public Policy Making

The process includes:

- The understanding and formulating of all possible options
- Setting of schedule and priority on budget
- Choosing actions based on the consideration of their influence

James Anderson proposes five stages in the cycle of making public policy.

Stage	Work
Identification	To explore : ♦ What are the problems that society is confronted with that lead to the need for developing a relevant policy? ♦ What kind of values should be used to interpret the problem situation?
Formulation	In the formulation of policies, to assess possible outcomes of various programs and the expected impact and to anticipate consequences that may be caused by the policies.
Adoption	Based on the assessment of the consequences of various options, introduce the options and recommend to the public and policy makers for selection.
Implementation	The implementation of policies includes the records of what happened in order to monitor the result of the implementation to serve as a basis for assessing the policies.
Evaluation	To evaluate the specific policy evaluation and decide if the policy should be maintained, reformed or terminated.

13.2 Health and Welfare Policies in Hong Kong

(A) Health Policy

1. Policy Objectives

The vision for the healthcare system in Hong Kong is to 'improve the state of health and quality of life of our people, and provide healthcare protection for every member of the community (***'Your Health Your Life'*** - Healthcare Reform Consultation Document, 2008).

It is explicitly stated that the healthcare system should:

- uphold the healthcare policy that no one should be denied adequate healthcare through lack of means;
- ensure that necessary healthcare services remain accessible and affordable to the community;
- maintain the public healthcare system as a safety net for the low-income and under-privileged groups and those in need; and
- upkeep the professional standards and conduct of healthcare professions.

2. Policy Implementation

The Food and Health Bureau is responsible for healthcare policies and resources allocation. The Department of Health plays the advisory role and at the same time, implements healthcare policies and assumes statutory responsibilities. The Hospital Authority (HA) is responsible for the provision of services in the public hospitals and other related healthcare services. Its coverage is territory-wide which includes seven clusters of hospitals, specialist clinics, general out-patient clinics and outreach services to provide patients with medical and rehabilitation services.

The Health and Medical Development Advisory Committee is chaired by the Secretary for Food and Health Bureau. Members include representatives from various sectors. The Committee aims to regularly review medical services and long-term plans to ensure the sustainability of our healthcare system.

3. Policy Instruments

Different health policies have different policy instruments. For example, to implement the anti-smoking policy, the Hong Kong Government uses the following policy instruments to promote the "Smoke-Free Culture":

Taxation

For example, an increase in tobacco tax is an effective way to reduce tobacco use. It is also an important strategy to prevent children or adolescents from smoking. The report published by World Bank in 1999 pointed out that in high-income regions such as Hong Kong, for every 10% increase in cigarette prices, tobacco demand is decreased by 4%. The rising cigarette price not only makes the young smokers quit smoking, but also discourages the youth from picking up smoking.

In the past two decades, tobacco tax has been increased in Hong Kong. The increase in tax always leads to an increase in the retail price. Since the consumers bear all the increased cost, the number of smokers decreases whenever the tax increases. For example, in 1983, when the tobacco tax was increased by 300%, the ratio of smokers decreased from 23.3% in 1982 to 19.9% in 1983. In 1986, it even dropped to 17.4%. In the 2009 policy address, the Chief Executive announced to substantially increase the tobacco tax 50%.

In addition to tobacco control, taxation is also used to facilitate the implementation of other social policies. For example, the Environmental Levy on Plastic Shopping Bags aims to create a direct economic incentive to encourage consumers to switch to reusable shopping bags and reduce the indiscriminate use of plastic shopping bags. The proposed environmental levy will also serve as a constant reminder to the public of their “eco-responsibility”. This approach has been adopted in Ireland and in Taiwan.

Legislation

With effect from 1 January 2007, statutory no smoking areas have been extended to cover the indoor areas of all restaurant premises, indoor workplaces, public indoor places, and some public outdoor places in accordance with the amended Smoking (Public Health) Ordinance (Cap. 371) adopted by the Legislative Council. No person shall smoke or carry a lighted cigarette, cigar, or pipe in no smoking areas.

Publicity

Publicity is also a policy instrument. The Tobacco Control Office of the Department of Health (http://www.tco.gov.hk) promotes smoke-free culture through the mass media. To educate the public with the harmful effects of smoking and secondhand smoke, and the newly amended "Smoking (Public Health) Ordinance," "I Love Smoke-free Hong Kong" campaign started in 2005. Promotional activities include media advertising, exhibitions, publication and posters. Workshops and seminars are provided for the management and workers in the related industries such as catering, tourism, hotel and property management to introduce guidelines for providing a smoke-free environment to the practitioners.

The Information Services Department (http://www.isd.gov.hk) widely disseminates government policies, activities and services through newspapers, television, radio and magazines, mass media, both locally and overseas. It builds the bridges between the Government and the public. Major government campaigns launched by the Information Services Department encompass a number of topics, including: fire prevention, fight against crime, anti-mosquito, anti-drug, and road safety. Many of these campaigns are going throughout the year on the broad and diverse promotion channels including: TV commercials, radio, special programs, exhibitions, public activities, and a range of promotional printed materials.

(B) Welfare Policy

1. Policy Objectives

In the policy address 2009-2010, it is stated the welfare policies are to:

- to enhance the competitiveness of the grassroots through education and retraining
- safeguard the well-being of workers at the grassroots level and seek to forestall the phenomenon of excessively low wage through a statutory minimum wage
- to provide better support to the elderly in need
- to facilitate persons with disabilities to integrate into society by strengthening the services and support for them and their carers
- to facilitate the collaboration among different sectors of society in combating the drug problem

2. Policy Implementation

The Social Welfare Advisory Committee is responsible for studying long-term development planning for social welfare and the Social Welfare Department is responsible for implementing welfare policies formulated by the Labour and Welfare Bureau. NGOs are the working partners of the Social Welfare Department and are the main providers of social welfare services. (For details, please refer to Part 11.3 of Booklet (11)).

3. Policy Instruments

For example, the following instruments are used to 'safeguard the well-being of workers at the grassroots level and seek to forestall the phenomenon of excessively low wage'.

✎ Funding

Resources are allocated to set up a pioneer one-stop employment and training centre in Tin Shui Wai to streamline, integrate and enhance the existing employment and training/retraining services of the Labour Department, Social Welfare Department and Employees Retraining Board. Resources are also used to set up a recruitment centre for the retail industry to provide more tailor-made employment support, including targeted job-matching service and on-the-spot interview opportunities; to bridge, more effectively and expeditiously, the recruitment and employment needs of the industry that is marked by high turnover and constant demand for workers.

✎ Legislation

The basic capacity for livelihood of the grassroots is safeguarded through the implementation of the Minimum Wage Bill. A bill will also be introduced into the Legislative Council to remove the requirement for an employer's agreement to the making of an order for reemployment of an employee who has been dismissed unreasonably and unlawfully and to require the employer to pay a further sum to the employee for failing to comply with such an order.

13.3 Comparison of Policies between Hong Kong and other Countries

Upon understanding the policies in Hong Kong, we can learn from comparing the local policy objectives and implementation with other countries. To facilitate our discussion, the health and welfare policies U.S. and British are selected as examples for comparison in the following:

(A) Health Policy

(For details of the health policy, refer to Booklet (10))

	USA	UK	Hong Kong
Mode	**Market-oriented**	**Social Medicine**	**Mixed**
Assumptions	Individual needs should be satisfied by the private market and family. Allocation of resources according to consumers' willingness to pay and privatisation of organisations that provides health services.	Health services are necessities for maintaining life and relieving suffering. Everyone is entitled to reasonable access to health care, regardless of the ability to pay.	Essential health services are available with reasonable access regardless of the ability to pay but private health services are available to those who can afford either to pay or with insurance coverage.
Objectives	To minimise government intervention. Government only provides assistance through Medicaid and Medicare to the low-income individuals and families.	To provide universal services for all people based on clinical need, not the ability to pay, because health care is a basic human right as well as to provide access to a comprehensive range of service through primary and community health care and hospital-based care.	To ensure no one in Hong Kong is deprived of medical care because of lack of means; at the same time emphasising individual responsibility for the maintenance of his or her own health.

	USA	UK	Hong Kong
Implementation	♦ **Private Insurance** A majority of the population relies on private insurance as their sole means of health care cover. Under such a system, the level of access to health care services is determined by the level of insurance cover which an individual can afford to purchase, and contributions are based not only on the ability to pay but also an individual's health risk assessed by the insurer. ♦ **Medicare** It is the health insurance coverage to people who are aged 65 and over, or who meet other special criteria. ♦ **Medicaid** Medicaid is the health program for eligible individuals and families with low incomes and limited resources. It is different from Medicare. Although both intend to provide health	**National Health Service (NHS)** ♦ **For hospital services** Public hospital services for eligible persons are free of charge unless they choose to be treated as private patients. ♦ **For primary health services** Fully subsidized by public monies, patients receive primary health care services provided by private medical practitioners free of charge. ♦ **For medicines** Patients are required to pay a flat rate for each prescription. Owing to the exemptions granted to specific groups such as children and low-income families, around 85% of the prescription items dispensed are free to patients.	**The public sector** This is the predominant provider of secondary and tertiary care in Hong Kong. Apart from general out-patient clinics (GOPCs), the Hospital Authority (HA) also manages all the public hospitals in Hong Kong. The Department of Health is responsible for safeguarding the health of the community through promotive, preventive, curative and rehabilitative services. ♦ **For hospital services** Individuals cover around 3% of the cost for public hospital services by out-of-pocket payments and/or health insurance. Medical safety net to assist patients with financial difficulty in paying public hospital bills. Fees and charges for private hospital services are

	USA	UK	Hong Kong
Implementation	insurance, Medicaid provides health insurance to low-income people of all ages, whereas Medicare is for people over 65 or with disability.		covered by out-of-pocket payments and/or health insurance. ♦ **For primary healthcare services** Patient pay full cost for services in the private sector. Patients who cannot afford private sector services can use subsidised public services. ♦ **For medicines** Patients are required to pay a small lump for each government-subsidised prescription except medicines provided during hospitalisation.

(B) Welfare Policy

(For details of the welfare policy, refer to Booklet (11))

	USA	UK	Hong Kong
Mode	**Residual**	**Institutional**	**Mixed**
Assumptions	An individual's needs are properly met by the private market and the family. Only when these break down should social welfare institutions come into play and then only temporarily.	Social welfare is an integrated institution in the society and is used for resources reallocation.	Government needs to assist families and people in need to solve the problem.
Objectives	To minimise government intervention and dependence on welfare.	Social services are provided on a universal basis outside of the market and based on individual needs. Social services should be institutionalised to meet basic human needs.	Family is at the core value of society when helping people in need.
Implementation	♦ **Federal Social Insurance** The funding of social security is from the tax on the employers of enterprises and business. Part of the funding of various interest groups comes from community	♦ **Universal Coverage and Insurance** Each of the residents of the United Kingdom, even as a foreigner living in Britain, has a National Insurance number since birth. It guarantees protection as early	The parties participating in social welfare include government, non-governmental organisations, families, charitable organisations and private sectors. The Government has played the roles of policy-making,

	USA	UK	Hong Kong
Implementation	and social welfare organisations. Part of the funding of social insurance is from the insurance tax and specific items of insurance. In addition, some charitable donations have also played an important role. Company and private insurances are important parts of federal social insurance.	as they are in the wombs. They enjoy a certain degree of social security when they are going to school, being ill, being employed or unemployed, in their widowhood, having dependent children, being elderly and retired, until death. It is estimated that more than 50 allowances and benefits were paid to residents in 1980s.	resources distribution and service monitoring. At the same time, due to increasing reliance on government funding, most of the non-governmental organisations choose to be in line with government social welfare policy, except the ones with independent sources of funding.

13.4 Factors Contributing to the Differences in Policies

Why do different countries have different health and social policies? What factors are influencing the policy objectives and implementation? The following may be some considerations:

(A) Local Economy

Local economy determines the allocation of resources for health and social care policies.

1. The United States(USA)

The social policy in USA has been market-oriented, based on her economic philosophy. In the 1980s, when President Reagan took office, the USA adopted the neo-liberal economic policies, opposing state intervention in local economy. The Neo-liberal policy emphasizes on free market mechanism, calling for minimising the control of business practices and property rights. It advocates for a reduction in the government intervention in the economy and the size of the welfare system. Because of this, social welfare services provided in USA have been less than those in other industrialized countries. It aimed to reduce domestic taxes, and rely more on free markets and private charities to provide the social welfare.

Yet the wealth gap between the rich and the poor in USA is wide, although the income per capita is the highest in the world. The wealth is concentrated in a small group of people, comparing with the situations in other countries in Western Europe. 40% of the population is relatively poor, whereas the top 20% of the people are wealthy. Since 1975, USA is characterized by its low level of social mobility and polarisation of labor market; and economic growth only benefits 20% of the higher-income families. Residents of USA still have a high level of household income which is at the average of 46,000 U.S. dollars. It is close to the post-industrial countries such as Switzerland (54,000 dollars), the United Kingdom (39,000 U.S. dollars) and New Zealand (40,000 U.S. dollars). The wages of the middle-income group have been stagnant since the 1970s, while the total income of the low-income group is even on the decline.

Under the leadership of President Clinton, the political parties of the United States Senate put forward the "third way." The Third Way is a walk in the middle of capitalism and socialism as a political ideology. At the core of the ideology, it rejects the extremist way of thinking, i.e. neither a purely free-market nor a purely welfare society should be advocated. It pursues centrism. In social democracy, the Third Way recognises the positive value of free markets, stressing deregulation, decentralisation and low tax policies. President Clinton emphasised that the

Government should use the "workfare" policies to replace the old " welfare" policies in order to maintain the functions of the free market.

2. The United Kingdom(UK)

The economic downturn led to a cut in resources and thus the change of social policy in UK. In the 1970s led by the Labor Party-led, after the oil crisis followed by the global economic downturn, the British economy also faced a downturn with the serious financial crisis. The public expenditure was half of the GPD. The deficit was more than 10% of the government spending with the inflation soaring and the national debt expanding rapidly. Mrs. Margaret Thatcher led the Conservative to defeat the Labor Party in the election in 1979. The benefit coverage was reduced with the sector size (small government) by making employment in government more flexible, such as the contracting-out system and developing more guidelines for the practitioners to follow (quantified indicators, heralded as enhancing efficiency). These initiatives of conservatism successfully cut welfare expenditure and weakened the power of trade unions, which led to the economic recovery and maintained its international influence. Tony Blair led the Labor Party to win the election in 1997 and became the prime minister. He continued to implement the free market economy and to promote the "third way" neo-liberalism.

3. Hong Kong(HK)

Hong Kong Government likes using "big market, small government" to describe the characteristics of Hong Kong capitalism. The basic role of the government in the economy is to provide the market with an effective operational framework and only take action when there is significant imbalance in the market. The "small government" only intervenes to meet the needs of the market. The private sector is assumed to work on its own. The intervention of the government in the market is as little as possible. Under the premise of small government and low tax rates, it calls for the need of "proper management of public finances" in the medical and social services. It leads to the introduction of "privatisation", "user pays" , "cost-effectiveness" and other concepts in order to withdraw government intervention in health care services and social welfare. In 1985, the "Scott Report" recommended the establishment of the Hospital Authority and introduction of a series of "cost recovery" and "user pays" new measures. It reveals that the policy objectives are more inclined to reducing government intervention and to meeting individual needs through the private market and the family, which is basically a residual model.

The economic downturn in 1997 was caused by the Asian financial crisis. Because of the buoyancy of the economy prior to 1997, the increasing cost of health and social care until then did not raise too much concern to the Hong Kong Government. The financial situation of the HKKSAR Government after 1997 has been different. There has been a relentless pressure on financial support to the health and social care/welfare expenditure growth. With a sizable budget deficit in the 1997-98 fiscal year, the government tightly controlled health and social spending in order to avoid the massive problem caused by spiraling health and welfare costs in future. To cope with challenges brought by the downturn of the local economy since 1997, the HKSAR Government prioritised the elimination of budget deficit. Instead of generously increasing spending on social provision, social programmes suffered from expenditure cutbacks. Policy emphasizes more on measures of budget control. At the time, the middle and lower classes have been deeply affected by real financial difficulties. Consequently, there was a substantial decline in the standards of living. When Hong Kong started turning into surpluses in 2006-07 onward (in 2008-09, local economic growth brings the surplus to an embarrassing level of $70 billion), the social care policy focused more on supporting disadvantaged groups by generously increasing spending to social programmes.

(B) Global Economy

In many cases, the health and social care policies are subject to the influence of the global economic performance. In an economic recession, the recurrent expenditure of government will be inevitably reduced which will impact on the social policy.

Under the integration of the global economy, the open-door policy has been implemented in most countries around the world. The global economy becomes more market-oriented. The globally unified market is also taking shape. China has established a socialist market economy to accelerate the pace of reform. The former Soviet Eastern European countries have also turned to market economy. Consequently, the governments often take into account of the influence of international finance and capital markets as well as the impact of their national competitiveness in the formulation of its social policies. Economic interdependence is growing stronger among developing countries and between developing and developed countries. As a result, any financial turmoil and economic recession of one of these countries would have negative impact on the economy of other countries.

Under the impact of economic globalization, some governments and large multinational corporations use global economic competitiveness as an excuse to substantially cut welfare expenditure. For example, the first oil crisis in 1973 ended the golden age of the welfare state. At the same time, a number of international financial and trade institutions such as the World Bank, the International Monetary Fund and the World Trade Organization keep promoting the liberalisation in global finance and trade. It also affects the provision of welfare.

1. World Trade Organization (WTO)

The World Trade Organization (WTO) was established in 1995 to coordinate world trade. It has its origin in World War II. The establishment of the organisation brought impact to Europe and the whole world. The framework of General Agreement on Trade in Services (GATS) was drawn up between 1986 to 1994 in order to regulate trade in services, such as telecommunications, finance, utilities, public service. According to WTO regulations, the service industry is divided into 12 major categories, including 155 sub-industries. Most people's lives, from birth to death, and their lifestyles and recreation were almost included in the "service industry ". The scope includes retail, finance, insurance, energy, telecommunications, maintenance, construction, mining, waste disposal, tourism, restaurants, hotels, transportation, etc. It also includes what is known as the fundamental public services such as education, health care, social security, postal service, police and prisons, water and sewer systems. As long as it is in the service industry, regardless of its areas, it is treated as the sale of goods and profit making. GATS requires all services to be moving towards liberalisation

and privatisation. Because of the WTO's GATS agreement, the health care, education and other public services in most countries are developing towards privatisation.

2. World Bank

The World Bank (the "Bank") was established in 1944 to assist the development of poor countries by providing them with loans, grants and technical assistance to carry out development projects such as education, health, infrastructure, communications, and public reforms. Member countries of the Bank will invest in the proportion to their own activities in the global economy. The more the countries invest, the greater the shares held by the countries and therefore, the higher the right to vote at meetings. The Bank adopts the "new liberalism", which believes that a free competitive market economy is the only way to accumulate national wealth. Although the Bank provides loans to the poor countries for development purposes, the borrowers of these poor countries are often unable to settle the debts. Consequently, the fundamental public services of the public sector of these poor countries were sold to the enterprise groups in rich countries. Privatisation is used in exchange for a debt-free situation.

3. International Monetary Fund (IMF)

"International Monetary Fund" (IMF) was established in 1944 to maintain the stability of the global economic system. It provides short-term loans to those who have temporary imbalances in international trades and to countries to promote trade. It also supports policies which help resolve the economic and financial issues of countries. In addition, the IMF provides anti-poverty loans to low-income countries and provides assistance to countries affected by natural disasters or armed conflicts.

Receiving IMF loans, the borrower countries must implement the economic policies commonly accepted by the IMF to settle external imbalances of payments and to ensure future ability to repay the loan. These policies are mostly macroeconomic policies, such as inhibiting inflation, the implementation of currency devaluation, reduced government spending, strengthening the financial system, as well as eliminating the obstacles that, in IMF belief, lead to a healthy growth in the economy, such as liberalisation in price and trade and improvement in governance.

For example, Pakistan experienced economic crisis in the late 1990s. It took part in the IMF poverty reduction and economic growth plan. Until 2003-04, it began to have a significant 6-7% economic growth with the national finance being strengthened. The Government is gradually able to invest more resources to social services that benefit the poor.

However, some schemes supported by IMF are not effective in the recipient countries. It is criticised that the situation of poverty is even worsened. For example, there are comments that in 2001, Argentina followed the IMF support programs requirements after a disastrous economic crisis by tightening government spending, but privatising the important national resources led to even more difficult situation for the poor who have to face reduction in health, education, social security and other basic social welfare.

Reference:
Oxfam Cyber School - http://www.cyberschool.oxfam.org.hk

(C) Social Context

Different social needs are formed under different social contexts which require the government to formulate the relevant social policies to respond.

1. USA

The USA is a country formed by immigrants. There has been no aristocracy and royal family descendants. The identity of immigrants has a profound impact on all aspects of social life in USA. After the Civil War, the foreign immigrants serving as an ample labor force which caused the industrial and commercial enterprises to flourish. They also provided a market of the industrial and agricultural products when they set foot on a new world. They were in need of basic necessities and social services which stimulated the market demand for the products.

On the other hand, immigrants may have deepened ethnic conflicts in recent years. The new immigrants after 1970 have lower educational and technical levels, comparing with the early immigrants. They have a higher proportion of poverty, unemployment and reliance on welfare. With their arrivals, the pressure on employment and the burden on social security increased, exacerbating pre-existing social and economic problems. One of the problems is the expanding gap between the rich and the poor within the community. The low level of social mobility and polarisation in labor market showed effects and the economic growth was only shared by the 20% higher-income families since 1975. The low-wage illegal immigrants became the poorest 10% of the workforce.

Worse still, the health care system in USA is characterised by the public-private co-payments. It is not entirely paid by public expense. There is no national health insurance. U.S. President Bill Clinton and his wife Hillary had tried to

establish universal health insurance so that all Americans should able to have medical insurance. However, it was rejected by the Congress and the interest groups. Health insurance has been regarded as employee benefits. Although the hospital must provide emergency services regardless of the patient's ability to pay, the hospital still has the right to discharge the patient after treatment in the emergency room if they are unable to pay. In USA, medical cost is the major factor leading to personal bankruptcy.

2. UK

The ageing population in the UK is one of the important social issues. UK is the first industrialized countries facing an aging population. The trend of an aging population was observed as early as in 1930s. In 1950, the aged population accounted for 10.7% of the total population. The ageing population continued up to 1990 and followed a downward trend. The dependency ratio of population is relatively stable in 2010 and up to 30% by 2040. For this reason, financial security of the elderly is a relatively important policy in UK.

3. HK

Since 1970, the world has undergone many changes. The economic reform in Mainland became rapid. The economic barrier between the East and West was removed at the beginning of the globalization era. Free trade, market liberalisation and open competition have been recognised as keys to economic success.

Since China's reform and opening up in 1978, manufacturing industry has moved to China. HK has to undergo economic restructuring when the manufacturing industry gradually declined. In fact, due to limited supply of land and natural resources in HK, land and labor costs gradually increased. For this reason, HK economy should not solely rely on the manufacturing sector. In the past 20 years, HK has undergone a rapid transition from manufacturing to service-led economy.

The problem of unemployment and decline in manufacturing industry created the problem of age discrimination. Many middle-aged people have difficulty in finding a job, even if they are only looking for low-wage work. The employment rate of the elderly also declined. The family economic pressure has been exacerbated. Unemployment, family problems and an aging population further increase the demand in welfare. How can the government cope with increasing welfare needs and at the same time avoid increase in welfare expenditure? "Privatisation" and "lump-sum grant" are the results of policy considerations.

(D) Social Value

Social value determines the ideology and objectives of health and social care policies. Social value is constructed by individuals interacting with one another on the basis of shared symbolic meanings. Individuals construct their behaviour, relationships and institutions in accordance with these interpretations and definitions. Health, disease and illness are like other human experiences which are socially constructed. The social value changes year by year due to scientific findings, evolution of religious beliefs, changes in moral values, the media, and changes in the economy.

1. USA

The American dream has attracted people around the world to migrate to America. "American Dream" means that the Americans in their new world seize the opportunity to seek development. They never stop and forever use their diligence to open up opportunities. It is an ideal that hard work leads to success. They believe that comparing with the previous generation, the new generation can live better. Americans are concerned about their material life. It is a consumer society. Business interests influence political decisions. Individual liberalism is characterised by the pursuit of a better life, freedom of thought and material wealth being sought through taking risks.

In fact, it is generally believed that individualism is the core value of American culture. American society is characterised by individualism and egoism. Individualism emphasizes individual independence, creativity and free development, i.e. free from or less affected by social and political constraints. Egoism is the thinking and behavior which place personal interests above social and public interests. Individualism is not only a kind of individual-based philosophy of life, but also a political philosophy and value system. It regards individuals as the center of all values. Individuals are also equal in the moral sense. Society is a group of people coming together to maintain their individual interests.

2. UK

In the nineteenth century, the British Empire was called ‘the empire on which the sun never sets’. The stratification and class consciousness were fairly obvious among the aristocracy and wealthy upper classes of society, the middle class and the working class. The gap between rich and poor was huge. This phenomenon is particularly reflected in the school system. The boarding schools with high tuition fees or Public Schools were able to provide good environment, equipment and teachers such as Eton College. Only the rich can afford sending

their children to these schools. Children of the poor could only go to the ill-equipped State Schools.

In the election in 1979, Thatcher of the Conservative Party defeated the Labor Party. The new right-Thatcher inherited its liberal tradition. It regarded social issues as personal problems. The unemployment of the people was understood as caused by their personality defects. At the time, the underclass was people living in poor areas, who were mainly new immigrants, drug addicts, single parent families and unmarried mothers. It was regarded that the decline of UK was caused by these underclass people who were lazy, greedy, with no sense of responsibility and no family ethics. They were blamed for the unemployment situation. The dependence on welfare was the result of culture and personality defects and it should be tackled with stringent welfare policies in order to force them to become self-reliant.

3. HK

Individualism is a strong strand in the values of the HK population – individual responsibility, self reliance, a reluctance to be dependent on “welfare’. On the other hand, although the values are materialistic and market oriented, the dominant social values are still under the central influences of Confucianism. The work of the Government is judged according to the extent to which they create a society characterised by harmony and mutual caring and the promotion of role obligations. Over the years, the HK government is applying a principle that nobody in HK should be prevented, through lack of means, from obtaining adequate medical treatment and social care.

Different from western countries, there is a very strong emphasis on mutual assistance among HK family members. Family integrity and duty, family roles and relationships constitute the basis of the obligation of caring. The family has the primary responsibility extending to all ages. It constitutes the primary basis for care. The moral force of the primary group welfare network is strong and unrelenting. Welfare is either a family duty or a duty for the wider kinship network.

(E) Political Concerns

Politics consists of social relations involving authority or power. The political concerns affect decision making on resources allocation, revealing the social value of the country.

1. UK

Whether UK is led by the Labor Party or the Conservative Party has influence on its policy direction. In the spectrum of political ideologies, the Labor Party tends to advocate universal social welfare, whereas the Conservatives will put more emphasis on limiting the unlimited development of the social welfare system. In 1990, the outbreak of unprecedented civil disobedience turned into a street riot. It was caused by the introduction of "community tax" by the Conservative Party to replace the previous rates in housing units. In the unpopular new tax, due to the head count, the lower class has to pay more. Thatcher's New Right policies have aggravated the disparity of wealth in society and catalytic social unrest.

New Labor took place in 1997 and promised not to increase taxes. In the first two years, it complied with the spending levels set by the previous government. Later, the new Labor leader Tony Blair chose not to proceed with the welfare of the past nor the neo-liberalism. He proposed the Third Way, focusing on restructuring relationship between the rights and obligations of the state and the citizen.

2. HK

Before 1 July 1997, HK was ruled by the Governors who were appointed by the British crown and they were assisted by key civil servants. Members of the Executive Council, the most important body for providing advice to the Governors, were nominated by the Governors themselves till September 1995. Since then, all the members of the Legislative Council are elected. Amongst the Legislative Councils, some of them come from functional constituencies, each representing an economic, social, professional or other sector of the community, some are returned by direct election from geographical constituencies and some are elected by the Election Committee comprising members of the District Boards.

The termination of the practice of nominating members to the Legislative Council and the gradual increase in the number of directly elected seats are significant steps in the introduction of democratic elements to the policy making process in HK. Different from concentration of power by the Governors, the decision of

policy is no longer solely made by the Chief Executive of Hong Kong Special Administration Region. The introduction of democracy in HK has generated sharp debates in the economic and social issues, as well as public expenditure.

The public expenditure in HK covers a wide range of activities including works and utilities, education, public health and social services, etc. The service's view of the nature and role of government is, therefore, extremely important. Despite the political wills of different political parties in the Legislative Council, China is another significant factor in politics and public affairs in HK. Some of the decisions made by the HK government have made reference to the possible reactions from the mainland leadership as well as soico-economic situations of China.

The political parties have their focuses on:

- The level of inequalities in society, such as the overall distribution of income derived from capital versus labor,and the wage dispersion in the labor force;
- The extent of the welfare state, including the level of health care coverage, the redistribution effect of the welfare state, the public support of services to families, such as child care and family care;
- The levels and types of employment/unemployment rate, and
- The level of population health as measured by infant mortality rates.

In 1993, when the document "Towards Better Health" was published by the Government, the public debates on Hong Kong's health care financing policy highlighted the need to reform the health care system. However, the consultation period ended on 30 September 1993. As none of the above options or a combination of them could have the general support of the community, it was decided that the status quo should be preserved.

Another example can be found on the health care reform debated by the Legislative Council since 1999. The public consultation received over 2200 written submissions on the Harvard proposal (Health and Welfare Bureau, 2000), but there was no conclusion as no consensus were reached amongst the political parties due to political disagreements.

Similarly, various social welfare policies were not endorsed due to political disagreements such as legislation for a minimum wage. Even though there is a need for the government to set up rules to protect low-wage employers but due to different interests of different political parties, the Wage Protection Movement only benefits the cleaners and security guards in the past. For other sectors, the government just called for wage protection through non-legislation means (Policy Address 2006-07) before Oct 2008.

(F) Cultural Understandings

Different societies have different cultural understandings of health and social care. These different understandings pose a challenge to policy-makers in health and social care. The social welfare policy in Hong Kong is under the influence of the Chinese culture, values and attitudes which assume the responsibility of individuals and families to provide support and care during crisis. Government is assumed to play a minimal role to intervene into 'family affairs'. Some people argued that policies and programmes cannot be transplanted from western industrial societies and simply imposed on Hong Kong – at least not without unacceptable social cost. Chinese societies are famous for their family orientation, cohesion and self care ability. The government policy is to preserve and strengthen the family rather than replace it, and enhance its functioning as a coherent unity in providing support and care to its members. On the other hand, in the western countries, since people may not expect to seek help from their families, policy may focus more on developing mutual-help groups.

It is similar in health care policy. Even though the health care in Hong Kong has deeply rooted in the modern Western medicine, traditional Chinese Medicine as an alternative to the mainstream health services is still widely accepted or preferred by the population at large. Traditionally, practitioners of Chinese medicine have believed that illness or injury is caused by an imbalance. Drug or treatment is used to restore the balance. Therefore, some Chinese people have been resisting Western medicine, worrying that Western medicine and the treatment would disrupt the balance of the body. They usually have their own treatment if they think they know the symptoms. They share their experiences with friends and family about the folk knowledge of using traditional Chinese medicine or herbal medicine. In Chinese culture, the ability to handle the personal problems will be used as an indicator of the success of an individual. As a result, people are reluctant to seek help from the outsiders. Some families of the mentally ill regard mental illness as a shame. They are reluctant to seek professional assistance. On the other hand, Western people regard that illness is due to the physical / biological abnormalities in genes, disease, bacteria or virus. Thus, they are more willing to help receive formal care from medical staff. There is a need for the government officials not just to focus on health care policy on Western medicine delivery systems but also on the regulation and information about traditional Chinese Medicine and herbal distribution to safeguard the health of the society.

13.5 Demands for new policies

(A) Solving Emerging Social Problems

1. Tin Shui Wai Community

The increasing challenges faced by the Tin Shui Wai community have become public concern. Even though the government has already taken a number of steps to solve social problems in this community over the years, the actions were found to be inadequate with the discovery of a mother and her two children, who lived in Tin Yiu Estate, fell to death, in 2007. To prevent further tragedies, the government takes a greater step in introducing further measures such as :

- Setting up an integrated community centre for mental wellness
- Providing land for long-term commercial development or building of hotels
- Approving 14 new projects in Tin Shui Wai to strengthen family resilience and promote mutual help in Tin Shui Wai by the Community Investment and Inclusion Fund (CIIF)

2. Outbreak of SARS

In response to any emerging problems, health and social policy will be reviewed and renewed, such as during the outbreak of SARS in 2003. Before that disastrous infection, there is no policy on any alert and response for combating any outbreak of disease, but since then, new policies on preventing and combating SARS and even Avian Flu are putting up. Before the outbreak of SARS, citizens could visit hospitalised patients with great flexibility, even without regulations for visiting hours. But now, strict visiting hours are implemented. Three tiers of response (Green Alert, Yellow Alert, Red Alert) are posted up all the time to provide information to the public for infectious prevention. New infection control and management policies for hospitals, clinic, schools, kindergartens, aged homes, etc are in effect to respond to SARS since 2003.

(B) Responding to Changing Needs of Individuals, Families and Communities

The needs of individuals, families and communities are ever changing. Demands for new polices are always driven by the changing needs of the stakeholders of a society. Therefore the policy-makers should be sensitive to any socio-economic issues as well as the demographic changes that demand new polices in health and social services.

1. Demographic changes

The needs of care services in Hong Kong cannot be understood without reference to demographic changes. Based on Hong Kong Population Projections 2001-2031 from the Census and Statistics Department of Hong Kong SAR, the population is projected to increase at an average annual rate of 0.9%, from 6.72 million in mid-2001 to 8.72 million in mid-2031.

There is a rise in life expectancy. Life at birth is now expected to increase to 82.3 years for males and 87.8 years for females in 2031. It is found that the population projected in 2031 also follows a continuously ageing trend (Table 1). The projection is based on a set of assumptions on fertility, mortality and migration trends and on current polices. If there are changes to these assumptions and polices, the projections would need to be revised.

Table 1: Changes of Hong Kong population structure in 1981, 2001, 2011 and 2031.

	1981	2001	2011	2031
Aged 0 - 14	25%	16%	13%	72%
Aged 15 - 64	69%	72%	74%	64%
Aged 65 and above	7%	11%	12%	24%
Median age	26	37	41	46

Source: Census & Statistics Department

According to the 2008-09 Budget from the Financial Secretary of Hong Kong, an ageing population definitely brings about an increase in demand for health care services. In 2008, nearly half of the total expenditure of the Hospital Authority is used to provide health care services for the elderly. The cost of providing such services to the elderly is on average six times that for other groups. Similarly, the operating expenditure of the Social Welfare Department on services for the elderly rose from $1.44 billion in 1996-97 to 3.08 billion in 2006-07, an increase of over 100 per cent. The number of elderly Comprehensive Social Security Assistance cases increased by more than 60 per cent over the same period, and related expenditure surged from $3.59 billion to $8.28 billion, an increase of more than 130 per cent.

2. Changing Needs of Family

The family is an important component of a community. Rapid demographic changes and increased mobility of people between territories have imposed great impact on the family functioning as a unit and have resulted in an increasing number of single-parent and split families. This increases the need of social care and support to enable individuals and family members to prevent or deal with personal and family problems when they arise (Social Welfare Development, 1998).

(C) Increasing Demand for Services

It is found that Hong Kong's demographic profiles mirror closely to that of most advanced economies. Its population is ageing and increasingly suffers from chronic diseases. With an increased life expectancy and a diet typical of affluent cities, its population is increasingly suffering from illness such as diabetes, heart diseases and cancers. Technological advances enable health systems to treat illnesses and disabilities but no curative option was available for the above diseases. These advancements are generally labour intensive and tend to be financially expensive. The increasing sophistication in the diagnosis and treatment of medical conditions, which contributes to worldwide health care cost escalation, also affects Hong Kong. Computerised Tomographical Scanners (CT scan), Magnetic Resonance Imaging (MRI), Extracorporeal Shock Wave Lithotripsy (ESWL), coronary by-pass surgery, and organ transplants are just a few examples of expensive procedures and equipment which the Hospital Authority has made available to patients of public hospitals in recent years. Definitely, this condition increases the health and care expenditure. Taking into account demographic changes and rising medical cost, the total health expenditure will increase from $76.8 billion to $315.2 billion between 2004 and 2033 (Food and Health Bureau, 2008).

Demographic changes of the Hong Kong population do not just indicate a need for geriatric care but also the need for women and child care, too. Even though there is a tendency of diminishing delivery rate from local women, there is an increasing need of maternal and child care services given the rising trend of Mainland women giving birth in Hong Kong. This trend exerts a great demand not only on limited hospital beds for delivery but also increases the demand for prenatal and postnatal care.

The Public-private Interface Movement is one of the examples of the new policy in health delivery system in response to the increasing demand of health service. This increase of quality and efficiency health services demand from the public sector is indicated by the long waiting lists along three levels for health care services provided by the public health sector. With limited resources from public funding, the policy of the Public-private Interface is one of the solutions in meeting the rising health care demands.

(D) Improving Effectiveness or Efficiency

When persons increase in knowledge and property, they also increase in their demand for health, as the provision of hospitals and social welfare services have expanded to meet the needs of the society, which are in both quantitative and qualitative terms. At the same time, the government has to improve the efficiency and effectiveness of the provision of services.

The Hospital Authority Ordinance was passed by the Legislative Council in 1990 and the establishment of the Hospital Authority which brings about major structural change by freeing the public hospital system from the over-centralisation, rigidities, and out-of-date management structure of government hospital administration to improve the public hospital services is one of the examples

(E) Reducing Inequalities

One of the aims of health and social policies is to reduce the overall burden of the disadvantaged. The policies should attempt to reduce health and care inequalities and create better conditions for living because poverty and social inequality adversely affect human's health, social stability and development in all countries. Government should actively make new policies of reducing social inequalities and discouraging hierarchical relations.

The improvements of poverty and inequality do not necessarily follow the steady economic growth. The issues have been recognised as multi-faceted and

inter-linked. Policy debates have focused not only on cash incomes and services provided short-term, but also on long-term factors driving disadvantages and life chances for children.

There are a numbers of social factors contributing to the dilemma in policy formulating. Social justice can be the driving force behind government action. Meanwhile, there are other social factors such as the degree of poverty, rate of unemployment, income inequality, family structure, demographical data on ageing economically active population, social order, and in some developing countries, famine, etc.

1. UK

In 1997 poverty and inequality stood at levels unprecedented in post-war history. More than one in four UK children lived in relative poverty, compared with one in eight in 1979. Income inequality had widened sharply, and many indicators of deprivation were deteriorating or high in international terms. Since 1997, the Government has taken poverty and social exclusion very seriously. Child poverty has been reduced by the Labour Government's tax and benefit reforms, and detailed analysis of family spending patterns suggests that the income changes for parents with children are having clear benefits.

2. HK

To Combat Intergenerational Poverty — Child Development Fund
http://www.cdf.gov.hk

The Child Development Fund (CDF) is established to support the long-term development of children from a disadvantaged background. The CDF encourages these children to develop an asset-building habit and to accumulate financial assets as well as non-financial assets (such as the right attitudes and a proper mindset, personal resilience and capacities as well as social networks), as such assets are important for their future development.

The target participants for CDF are children aged 10-16, and their families are receiving Comprehensive Social Security Assistance / full grants from student finance schemes administered by the Student Financial Assistance Agency; or whose household income is less than 75% of the Median Monthly Domestic Household Income.

The CDF has three major components, namely personal development plans, mentorship programme and targeted savings. These three components are to enhance the children's abilities to manage resources and plan for their own future.

Personal Development Plans

The participating children are required to draw up personal development plans with specific targets (both short-term and long-term ones) under on-going guidance from mentors and non-governmental organisations (NGOs). They will also receive basic training provided / identified by the operating NGOs. These training programmes are also intended to serve a broader objective of helping participating children develop a more forward-planning perspective and build up non-financial assets. These children will also be encouraged to participate in community services.

The CDF has set aside $15,000 per each participating child for the provision of relevant training programmes.

Mentorship Programme

The operating NGOs will identify a personal mentor, who is a volunteer, for each participating child. Mentors will provide guidance to children in drawing up and implementing their personal development plans with specific development targets.

Targeted Savings

There will be a savings programme under the CDF to help participating children accumulate financial assets to realise their personal development plans. The savings target for each participating child and his / her family is set at $200 per month during the two-year savings period. They, however, can agree with the operating NGOs to set a lower savings target so as to address the special needs or circumstances of individual children and their families.

13.6 Resources Allocation

(A) Concerns for Public Expenditure

According to the Government's Domestic Health Accounts, Hong Kong's health bill increased from 3.8 per cent of GDP in 1989-90 to 5.5 per cent in 2001-02. The Government's share of this expenditure rose from 43 per cent to 57 per cent in the same period. The Government's total spending on health-related matters in the 2004-05 financial year amounted to $37.8 billion, equivalent to 14.7 per cent of total public expenditure, or 2.9 per cent of GDP (The Government HKSAR, 2006).

Similarly, committed to maintaining a caring society, the Government continues to place emphasis on family solidarity, fosters mutual care in the community. In 2006, the total recurrent expenditure of the Social Welfare Department was $32.2 billion, of which $23.1 billion (71.7 per cent) was for financial assistance payments, and 6.4 billion (19.9 per cent) for recurrent subventions to non-governmental organisations, and the remaining $2.7 billion (8.4 per cent) for departmental expenditure (The Government HKSAR, 2006).

The increase in demand forecast an expansion of care and supporting services. This expansion indicates an increase in expenditure, including social security payments and the efforts to increase trained manpower and support available both in the health and care sectors.

Base on these expenditures, the Government experiences a challenge of long term financial sustainability by the existing taxation system. While opinions on what should be the solutions to the upraising financing problems from expansion of public services due to the increasing demand, people dispute that Government should draw a boundary to protect the deprived groups by public services and at the same time adopt a mechanism to ensure those who can afford to take private responsibility in accessing health and care services. Increased user charges or how much to be raised then becomes the agenda to be debated.

With continuous demographic changes, there are conflicts amongst different parties in calling for more allocations. Public resources are limited, but social aspirations are unlimited. There are always a lot of debates on how to allocate the limited resources to meet the changing needs of the community.

(B) Allocation of Public Resources

1. Among Different Policy Areas

Every year, public expenditure is allocated by policy area groups, namely education, social welfare, health community and external affairs, security, economic, infrastructure, housing, environment and food, and support. The allocation of public expenditure to each policy area groups is highly influenced by factors such as economic performance, demographic change, community needs, employment rate as well as political force, etc. Nevertheless, the Government is expected to give firm undertakings to the community to improve people's livelihood by investing in education, helping disadvantaged groups, safeguarding public health, protecting people's lives and property, and investing in infrastructure. In general, these four policy area groups have a larger share of public expenditure.

2. Within Health and Social Welfare

Even though health and social welfare seems to have a larger percentage share of expenditure for policy area groups over the years, within the sectors themselves, the resources are still insufficient or just enough to aid the disadvantaged groups. Therefore, allocation of resources to different parties within sectors is also a conflicting agenda.

Allocation of resources in healthcare system

It is well known that pressure on the public healthcare system is intensifying by the increasing healthcare needs due to demographic changes especially the rapidly ageing population and increasing lifestyle-related diseases occurrence, and rising medical costs due to advancement of medical technology, higher public and consumer expectation and medical inflation. Numerous comments from different parties, politicians, professions, educators, interest groups etc. have stressed resources allocation within the system. Debating issues on resources allocation always focus on how much for primary care, how much for continuity and integration of care, how much for in-patient and specialist out-patient services, etc. Besides, the present safety net that cannot cater for middle-income families with patients having complex illness is also critiqued by the public, especially the middle-income tax payers.

Allocation of resource in the social welfare system

Within the social welfare sector, there is a tension in allocating the resource. The Government is committed to helping the needy. However, which group should be the most disadvantaged that needs more support and care? The elderly? The family? The youth? The lower income ones? The unemployed ones? The disabled? The women? How far the support and how much of care should be delivered to them? There are day to day debates amongst pressure groups, political parties as well as government officials in the agendas of priority, fairness and value for money.

Within organisations / agencies

To sustain the operation of an organisation / agency, allocation of resources is also a challenge in the health and social care system. How much allocated for staff cost, for facilities and equipment investment, for quality of services maintenance, for services expansion to meet the increasing needs of the clients, etc are some of the issues creating a lot of arguments within organisations / agencies.

How to balance the costs within organisations is a challenge for policy makers. There are increasing demands from unions of health care professionals, social workers and the like to increase their wages. If there is no increase of funding or additional resources from the government, services, facilities and equipment investment in non-governmental organisations may be cut.

Learning and Teaching References

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