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

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A Study on Family Impact Analysis and Case Studies: Public Rental Housing and Comprehensive Social Security Assistance

Executive Summary

Background

1. This study was commissioned by the Central Policy Unit, HKSAR Government, in September 2007 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 (FIA) in the policy formulation process.

The History of FIA

2. 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.

3. The United States Family Impact Seminar was formed in 1976. FIA 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. 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. The state of New South Wales in Australia advocates the establishment of the Family Impact Commission since 1991. At federal level, Prime Minister John Howard promised the new Family First Party in the 2004 election that the government would include a “family impact statement” in each Cabinet submission. In New Zealand, the Families Commission was established under the Families Commission Act 2003 to look at the impact of current and proposed government policies on families.

4. In Hong Kong, a motion related to family policy was raised in the Legislative Council on May 16, 2001 and in the motion, the concept of FIA was first introduced. 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 Nature of FIA

5. Many current social problems and the policies dealing with them, such as poverty, unemployment, homelessness, tax, health, education, transportation, have important family dimensions. Social policies are usually made to achieve certain social goals and yet the policy may have an unintended positive or negative impact on families. To conduct FIA is to systematically ask what the impact of policies might be on families, to strengthen the positive impacts of government policy on families, and to avoid unintended negative consequences. The importance of having a FIA is to assist the policy makers to balance the various goals including those related to the family before making decision. In the case where a negative consequence is inevitable, mitigation measures can be designed before such a policy is implemented.

6. To achieve the above purpose, FIA requires both a mechanism and an instrument. The mechanism would include an institutional setup such as the Family Council and established procedures. The instrument can include a framework such as FIA checklist spelling out the areas that should be examined.

Methodology of this study

7. 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.

8. A desk-top analysis on the two cases (Public Rental 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.

9. In each of the two policies (CSSA and public housing), interviews and focus groups were conducted. The interviewees and the focus group participants were asked to identify the possible relevant elements of each policy that may have an impact on families of Hong Kong, to express their views towards these impacts on families, and to identify other possible value considerations that may be consistent or conflicting with family values in policy making within each policy.
The Framework of FIA

10. A FIA framework helps to organize the diverse and huge volume of information related to the ongoing demographic, economic and social data on family trends for a variety of families and life-stages and research knowledge about family functioning and the interaction of families with outside systems and institutions. It also provides a set of value principles and tools to conduct an evaluative assessment to determine if the positive and negative impacts. There are three core components in a FIA framework, namely, the selection of policy, the identification of family impacts, and the evaluation of the impacts.

Selection of policy/program

11. 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

12. 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.

Evaluation of the impacts

13. The evaluation of impact has several dimensions, namely, principles and criteria, justifications, and judgments. The set of principles is the codification of the values that a society has on families. The set of criteria is the codification of the prominent belief system of a society about how the principles can be achieved or realized. The set of principles and criteria developed for this study was spelt out in the FIA Checklist. Justifications for the presence of impact can be derived from quantitative or qualitative empirical data, theoretical knowledge and at times anecdotal evidence provided by stakeholders. The final judgment usually hinges on the community engagement process of policy making and the mechanism adopted in the FIA.
The Methodology of FIA

14. There are three main types of methods adopted in different countries, namely, family impact checklist, family impact seminars, and family impact statements on policy paper in the policy formulation process (e.g. Cabinet papers).

FIA checklist
15. The FIA checklist is the most commonly used instrument and various checklists are used in the U.S., Canada, and New Zealand. Such checklists usually contain a set of principles and a set of criteria or related questions. The checklist of principles spells out explicitly the value premises related to the family and the use of the checklist is to make any possible value conflicts in a policy explicated. The strengths of a FIA checklist are that:
- 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

Family impact seminars
16. The Family impact seminars are used more commonly in the U.S. since 1976 and they 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. This can also be seen as part of a community engagement process.

Family impact statement
17. In Australia and in the U.S., attempts were made to implement a requirement of new policy submission to contain a family impact statement. The use of the family impact statement is intended to formalise and standardise for ministers the centrality of family impacts across all government decision-making.

Integrating the three methodologies in the FIA Mechanism

18. The three methodologies discussed above can be incorporated as part of the mechanism and process of FIA. The Family Impact Seminars can form part of the public consultation process and the Family Impact Statement can be used as a summary of the
FIA study to inform policy makers. While the FIA checklist can be used throughout the application process, the study process and the assessment process of the FIA.

The Mechanism of FIA

19. 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.

20. The mechanism of FIA may consist of several elements, namely, a 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. For the present study, the responsible body was taken to be the Chief Secretary Office and the Family Council as the advisory body.

A legislative or policy framework

21. 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.

22. While legislation will give FIA a clear and unambiguous mandate, the need for such legislation has hardly been 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.

The process of FIA

23. 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.

24. 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.
The FIA Checklist for the Study

25. To assess the impact of policies on family, we compiled a FIA checklist (as listed in Appendix 2) to be 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. During the final stage of analysis while making use of the information found during the interviews and in the following table, we had re-organized the principles and criteria in the FIA checklist (See Chapter 5 for details).

The FIA of Public Rental Housing Policy

26. 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.

27. 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.

28. 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

29. 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 level 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.

30. 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 earning enough to leave CSSA. The details of the recommendation are spelt out in Appendix 4 of the report.

31. The subject of CSSA has always been quite controversial as regarding to the adequacy of its level of assistance, stigma, and eligibility criteria. 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.