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## **The Excluding Effects of Inclusive Measures – the Case Study of Welfare to Work Measures in Hong Kong**

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## **INTRODUCTION**

This paper is concerned with the ideological dimension of the New Dawn project, which is a welfare-to-work programme specially designed for single parents and child carers on the Comprehensive Social Security Assistance Scheme (CSSA). It focuses on two analytical tasks. The first analytical task is to show that this project is not an independent reform measure. Instead it is a part of a series of pro-market welfare-to-work programmes launched by the Hong Kong Government to deal with social exclusion. Hence, it is not surprising that this project also serves to promote market values. The second analytical task is concerned with the debate on the desirability of this project in reducing social exclusion. As shown later in this paper, the design of this project is heavily indebted to market values. Hence it is highly supported by those analysts and policy-makers who stress the importance of the labour market in helping socially excluded groups to achieve social inclusion. However, it receives criticisms from those analysts who question the ability of the private market in tackling social

exclusion. By carrying out these two analytical tasks, the paper contributes to raising our awareness of the fact that the provision of the New Dawn project is more than a production of material benefits for its participants; it also reproduces the market values. Hence whether people accept this project or not reflects not only their judgment on whether this project is an effective technical exercise for helping its participants improve their material standard of living and enhance their opportunities for participating in society; but also their views on market values.

This paper is organized into three parts. The first part briefly discusses the key features of the New Dawn project. This is followed by the discussion of social exclusion and the examination of the ideological aspects of the responses to this issue. The third part is concerned with the debate on the desirability of the New Dawn project and how this debate is related to different aspects of the responses to social exclusion.

## **NEW DAWN PROJECT**

The Government provides financial assistance to the unemployed mainly through a means-tested safety net measure, the Comprehensive Social Security Assistance scheme (CSSA). With the intention of encouraging and assisting employable CSSA users to enter the labour market and achieve self-reliance, it introduced a welfare-to-work measure, the Support for Self-reliance scheme, in 1999 (Legco Panel on Welfare Services, 2001). This scheme consists of three components - the Active Employment Assistance programme, the Community Work programme and the Disregarded Earnings. Under the Active Employment Assistance programme, CSSA users under the age of 60 are required to apply for at least two jobs per fortnight and undertake that they will not decline any job offered that he/she is capable of doing (Social Welfare Department, 2007). For those recipients who succeed in

getting full-time gainful employment, their income can be disregarded up to a maximum of HK\$2,500 per month. Moreover, their first month's income will be totally disregarded on the condition that the benefit will be allowed not more than once during a two-year period (Social Welfare Department, 2007). Those who fail to get a job within a short time are required to participate in community work such as cleaning country parks and gardening up to a maximum of three days or 24 hours a week (Social Welfare Department, 2007).

In relation to the Support for Self-reliance scheme, the Government introduced the New Dawn project in 2006. This project is a welfare-to-work programme with the stated goals of helping single parents and child carers on CSSA whose youngest child is aged 12 – 14 to increase their capacity for self-help, integrate into society and move towards self-reliance through engagement in work (Social Welfare Department, 2006a). In order to meet these stated goals, the Government provided several soft and hard measures. Firstly, all participants of the New Dawn project are required to sign a Job Seeker's Undertaking to state that they are willing to seek paid employment with working hours of not less than 32 per month (note 1) (Social Welfare Department, 2006a). Secondly, those participants who engage in paid full-time or part-time employment can also benefit from the Disregarded Earnings. Thirdly, an amount of HK\$200 will be deducted from their monthly CSSA entitlements if they refuse to sign the Job Seeker's Undertaking or fail to comply with any of the requirements under the New Dawn project without good reasons (Social Welfare Department, 2006a). Fourthly, personalized employment services are provided for assisting participants to overcome work barriers and secure pay employment. The examples of these services include conducting interviews with the participants regularly and providing advice and assisting them to get up-to-date information on the labour market and other supportive services. At the same time, non-government organizations are invited to operate New Dawn

Intensive Employment Assistance Projects intended to provide tailor-made employment assistance services to equip those participants with no or limited work experience with basic job skills (Social Welfare Department, 2006b). Before discussing the merits and drawbacks of the New Dawn project, the paper shall discuss the concept of social exclusion first.

## **SOCIAL EXCLUSION**

Social exclusion has widely been studied since the 1990s (Abrahamson, 1997). The increasing popularity of this concept represents social investigators' attempts to identify the multi-difficulties suffered by disadvantaged groups. Their concern about these multi-difficulties is reflected in the widely quoted definition of social exclusion provided by Tony Blair, the former UK Prime Minister (quote from Sinclair, 2001, p.3):

(It is) a short-hand label for what can happen when individuals or areas suffer from a combination of linked problems such as unemployment, poor skills, poor income, poor housing, high crime environments, bad health and family breakdown.

There are a number of suggestions on helping the socially excluded suffering from multi-difficulties achieve social inclusion. However, these suggestions are far from unanimous. Their differences reflect not only their different emphasis on the causes of social exclusion but also the differences in ideological beliefs especially about the desirability of the private market as a mechanism for the allocation of resources. These differences can be shown by the discussion of two widely quoted discourses of social exclusion – the social integrationist and redistributive (Levitas, 1998).

The social integrationist discourse narrows the definition of social exclusion to a lack of

opportunities for participation in paid work (Levitas, 1998). Moreover, this discourse assumes that work carries not only economic functions but also social functions - that is people receive both wages and opportunities to integrate themselves into society through paid work. Thus, to help the socially excluded seek inclusion into society, the supporters of this discourse suggest providing them with the opportunities for participating in the job market (Levitas, 1996). The central ideas of this discourse are manifest in two European Commission White Papers on social and economic policy issued in 1994 – *European Social Policy and Growth, Competitiveness, Employment*. These policy papers emphasize exclusion as exclusion from paid work rather than a broader view of exclusion from social participation, and prescribe integration through paid work (Levitas, 1996). For example, in discussing how to promote the social integration of disabled people, the Commission only focuses on how to help them enter the labour market through training. In discussing the failure of the education system, the policy papers limit their concern to the inability of the system to help young people get a proper job: ‘In the Community, 25 to 30% of young people .....leave the education system without the preparation they need to become properly integrated into working life’ (European Commission, 1994, p.134).

The redistributionist discourse assumes that the main cause of social exclusion lies in a lack of resources to participate in the customary life of society and to fulfill what is expected of them as members of it. Such a view on social exclusion is indebted to Peter Townsend’s ideas about poverty:

Individuals, families and groups can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities and have the living conditions and amenities which are customary, or at least are widely encouraged and

approved, in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities (quote from Levitas, 1998, p.9).

To tackle social exclusion, this discourse lays emphasis on increasing state benefit levels and positing citizenship as the obverse of exclusion. Moreover, the supporters of this discourse advocate a redistribution of resources from poor to rich through tax reforms, expansion of benefits systems, reduction of earnings differentials, financial recognition of unpaid work, introduction of a minimum wage and minimum income for those unable to work (Chau and Yu, 2002). Furthermore, they raise our awareness of the drawbacks of the social integrationist discourse in tackling social exclusion. These drawbacks include obscuring the inequalities between paid workers; overlooking the gender inequality in the labour market, and ignoring the values of unpaid work such as taking care of children in the family (Levitas, 1998).

Given the differences between the two discourses of social exclusion, it is safe to argue that the methods for promoting social inclusion are more than technical exercises for helping the socially excluded improve their material standard of living and enhance their opportunities for participating in society. They also serve to reinforce different ideological views on the private market and capitalism.

The methods based on the redistributionist discourse are associated with an equitable society and they may thus challenge the problems of inequality created by the product and labour markets. The methods based on the social integrationist discourse support a well-integrated society through paid work and rely heavily on the private market to help people seek social inclusion. Moreover, compared to the redistributionist discourse, the social integrationist

discourse is more friendly to capitalism. Both the advanced division of labour and individualism are central distinguishing features of capitalism (Room, 1979). Workers do not directly produce the means for their own existence, but exchange their labour for other products which they need via the medium of money (Giddens, 1985). To promote this kind of coordination between labour and product markets, and thus to facilitate the expansion of commodity production and continuous capital accumulation, it is important for the government to take actions to promote people's incentive to sell their labour individually in the labour market as a commodity rather than to question the value of the labour market. To do so, it is not surprising that the government uses more measures based on the socially integrationist discourse rather than those measures based on the redistributionist discourse.

It is important to note that while the focus of these two discourses is on the division of responsibilities between the government and the private market (mainly the labour market) in handling social exclusion, the two discourses to a certain extent have relevance to the social exclusion caused by the social and cultural factors – for example, the stigma imposed by the mainstream on people with learning difficulties makes it difficult for this disadvantaged group to access the job market. To tackle this problem, the supporters of the redistributionist discourse are likely to question the suitability of the job market in creating jobs for people with learning difficulties and request the government to help them achieve a decent standard of living (through cash-transfer or provision of opportunities for them to work in the non-market setting) independent of participation in the job market, whereas the supporters of the social integrationist discourse are likely to request the government to provide more training to improve the employability of the people with learning difficulties.



## **THE DEBATE ON THE DESIRABILITY OF THE NEW DAWN PROJECT**

There are different views on the desirability of the New Dawn project. These different views are related to different stresses on the redistributionist and socially integrationist discourses. An important support to the New Dawn project comes from the Government's attempt to seek legitimacy for its welfare-to-work programmes. In order to increase the political acceptability of these programmes, the Government actively conveys normative messages on work and social welfare. The first normative message is that work is an ideal activity for those who are able to participate in the job market:

Working is the best way for employable persons to move towards self-reliance. Through paid employment, one would be able to improve their living, raise their self-esteem and sense of worthiness, build up a social network and set up a good model for their children (Social Welfare Department, 2006a, p.1).

We should aim to change the attitude of the unemployed recipients who are less motivated by placing emphasis on their 'social responsibilities' and the need to re-establish self-reliance, helping them understand how employment contributes to the well-being of an individual, the family and the whole community (Social Welfare Department, 1998, p.14).

The second message is that the provision of social welfare should assist people to work rather than discourage them from participating in the job market. Hence, the Government should concentrate on helping those who are not able to work.

Obviously, we should avoid the possible emergence of a dependency culture in which

there is a tendency for some employable adults to consider reliance on welfare assistance a preferred option even when there is employment available' (Social Welfare Department, 1998, p.5); 'Low pay is better than no pay and CSSA is a safety net and a last resort (Social Welfare Department, 1998, p.14).

Clearly, these two normative messages serve to convince the public that the New Dawn project intended to reduce the reliance of single parents and carers on CSSA by encouraging them to take part in the labour market is a desirable policy measure. Moreover, these messages reinforce the key idea of the socially integrationist discourse that participation in paid work is an effective solution to social exclusion.

It is also worth pointing out that the moral campaign on the welfare-to-work measures is reinforced by the positive assessment of the New Dawn project by articles in the press and a survey done by the Hong Kong University. The South China Morning Post (3 October 2006), Wen Wei Po (23 December 2006) and Ming Pao Daily News (21 April 2007) provided stories of the positive experience of people participating in the New Dawn project: these participants have not only gained a job but also received important benefits associated with the jobs such as having greater respects from their children, learning time management skills, having their self-esteem strengthened and having more money to improve their quality of life

The Government has commissioned the Department of Social Work and Social Administration, the University of Hong Kong to conduct an evaluation study of the New Dawn project (Wong *et al.*, 2007). This study provides two important findings to support this project – firstly, most of participants' children interviewed supported their parents going out to work because they could have more family income; and secondly, participants of the

New Dawn project after getting the job had more positive attitude towards family relationship and were higher in self-esteem (Wong *et al.*, 2007).

Moreover, the investigators made important suggestions on further meeting the stated goals of the New Dawn project. These include requiring participants to take part in job attachment and training, increasing gradually the work hour requirement for single parents/carers with youngest child aged between 12 and 14 to 80-100 hours per month and developing measures to make single parents/carers with youngest child studying in primary school and aged between six and eleven to start joining the New Dawn project (Wong *et al.*, 2007).

However, the New Dawn project has also attracted criticisms from Legislative Councilors, pressure groups and individuals (Concerning CSSA Review Alliance, 2005; Grassroot Women Poverty Concern Group, 2005; Hong Kong Association for the Survivors of Women Abuse, 2005; Hong Kong Catholic Commission for Labour, 2005; Leung, 2005; Concerning CSSA Review Alliance and Justice & Peace Commission of the Hong Kong Catholic Diocese, 2007). Their criticisms focus on the drawbacks of the socially integrationist discourse exposed by the supporters of the redistributionist discourse.

The first drawback is about the inequalities between paid workers. The aspects of these inequalities include the access to the labour market and the wages. According to Choi (2006), most of the single parents living on the CSSA are aged between 30 to 49 (75%) and have never received education up to secondary school level (63%). These statistics indicate that it is difficult for them to compete with younger workers with higher education level even if they have a strong incentive to seek a job and have the opportunity to receive vocational training. Moreover, there is an inadequate supply of jobs for single parents. Some pressure

groups point out that the main type of part-time job in the job market that single parents could find is home-helpers. However, the competition for this type of job is keen – there is only one job for five job seekers (Hong Kong Association for the Survivors of Women Abuse, 2005). Secondly, the Government overlooks the problems faced by those single parents who work in the labour market. These problems include low wage and poor work conditions. According to a survey, some single parents who successfully found a job (full-time or part-time) earned as low as HK\$1,600 a month (Oriental Daily News, 2 April, 2007). Given that a single parent family on average needs about HK\$7,000 to maintain a reasonable living standard, the reward these respondents in the survey received from the job market was far from adequate (note 2).

The second drawback is about the gender inequality in the labour market. It is important to note that the problems faced by single parents in getting a reasonable reward in the labour market also reflect similar problems faced by female workers. Statistics show that while the total number of workers earning less than half of the median monthly wage (HK\$10,000) has decreased from 340,000 in 2002 to 310,000 in 2005, the number of women falling into this low income group has increased from 160,000 to 200,000 in the same period (Eu, 2006). In other words, the proportion of women in this group is increasing.

The third drawback is about too little weight being attached to the unpaid work. Low-paid jobs usually require workers to work for long hours. It is unsurprising that the survey by the Caritas shows that cleaners (most of them are females) not only found it difficult to get sufficient time to look after their children but also needed to require their children to share the domestic chores (Eu, 2006). Similar views are made by the Concerning Group for Women Poverty (2007), Hong Kong Christian Institute (2007) and Concerning CSSA Review Alliance

and Justice & Peace Commission of the Hong Kong Catholic Diocese (2007). Hence, although they were able to gain a job, their quality of life was far left behind the mainstream. In this sense they were still socially excluded.

At the same time as discussing the drawbacks of the New Dawn Project, the critics of this project also make suggestions on helping single parents and care-providers fight against social exclusion (Concerning CSSA Review Alliance and Justice & Peace Commission of the Hong Kong Catholic Diocese, 2007; Hong Kong Christian Institute, 2007; Ming Pao Daily News, 8 March, 2007; Ming Pao Daily News, 2 April, 2007; Sing Dao Daily News, 28 May, 2007). It is interesting to find that their suggestions reinforce the views drawn on the distributionist discourse on the nature of social exclusion – that is the socially excluded mainly suffer from lacking sufficient resources to lead a customary life in society due to unequal distribution of resources. To solve this problem, their suggestions focus on tackling inequalities at different levels in society – to reduce inequality between paid workers (setting the minimum wage); to reduce inequality in the labour market (providing nursery services for single parents workers; and creating suitable jobs for single parents such as those that allow them to work in flexible hours and to work at home); to reduce inequality between those who do the paid jobs and those who take up the non-paid tasks (recognizing the value of the non-paid work done by single parents). Obviously, different responses to the New Dawn project are related to different discourses of social exclusion and thus different views on the market values.

Certainly, social workers can play some roles in the discussion of the merits and drawbacks of the New Dawn project, and the related ideological debates. They can make the participants of the New Dawn project more aware that this project is not a purely technical project; it is also shaped by the market values. Hence, whether the participants accept this project or not

depends significantly on whether they accept some values such as individualism and competition. Moreover, in response to the drawbacks of the New Dawn project exposed by its critics, social workers could organize participants of the project to make policy suggestions on reducing different types of social inequalities such as pressurizing the Government to set the minimum wage policy and provide subsidies to unpaid informal carers.

## **CONCLUSION**

This paper has shown that behind the discussion of the desirability of the New Dawn project there is a debate on different ideological ways in dealing with social exclusion. To help single parents and carers on the CSSA to cope with social exclusion, it is thus argued that it is insufficient to assist them to join the New Dawn project. Actions should be taken to help them express their views on the desirability of this project and the different discourses of social exclusion. As mentioned above, the attempt to reduce social exclusion is concerned with promoting the participation of disadvantaged groups in the mainstream community. To achieve this goal, it is important not only to provide the participation opportunities for the disadvantaged groups but also to give them a certain degree of control over the form of participation and to comment on the desirability of this form. This view is indebted to Cole's study of the problems of poor people:

The problem for the poor in Britain is not so much that they are excluded from participation in society. Rather they have little or no control over how they participate; the majority of people, while they of course do not have complete control over how they participate, have much greater degree of control, and therefore choice, than those in poverty (Cole, 1999, p.118).

Hence, in order to improve the effectiveness of the New Dawn project in meeting the needs of the single parents and carers on CSSA, it is important to find ways to help them articulate and aggregate their views on this project and different discourses of social exclusion.

## **NOTES**

1. Single parents and child carers on CSSA with the youngest child aged 12 to 14 who are in any one of the following circumstances can be exempted from the New Dawn Project:
  - a. aged over 59 years and 5 months;
  - b. medically certified to be unfit for work;
  - c. already engaged in gainful employment with monthly working hours of 32 or more;
  - d. required to take care of vulnerable family members like disabled, senile or ill-health;
  - e. special family circumstances such as recently bereaved; recently being victims of domestic violence; or encountering other special problems. Recommendation for exemption from social work may be required.
2. The average CSSA payments received by single parent families are HK\$7,236 (Lee, 2006).

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