

## Overseas Duty Visit Subcommittee on Poverty

### Overview of poverty alleviation strategies in Taiwan

<b>Concept of poverty</b>	
Official poverty threshold	<ul style="list-style-type: none"> <li>• Absolute poverty: average monthly income per person in a family falling below the lowest living cost (defined as 60% of the median of disposable income per capita in a region in the previous year).</li> <li>• In 2013, the lowest living cost ranges from NT\$8,798 (HK\$2,357) to NT\$14,794 (HK\$3,965) per person per month.</li> </ul>
Objective of setting the poverty threshold	<ul style="list-style-type: none"> <li>• Determining eligibility for assistance under the Public Assistance System.</li> </ul>
<b>Government institutions for tackling poverty</b>	
Any specific institutional structure established at the central level for tackling poverty	<ul style="list-style-type: none"> <li>• Nil.</li> </ul>
Authorities responsible for planning and/or implementing related strategies	<ul style="list-style-type: none"> <li>• Ministry of Health and Welfare (衛生福利部) – being responsible for formulating and implementing policies relating to medical services, public health, social welfare, social insurance and social assistance.</li> <li>• Council of Labor Affairs (行政院勞工委員會) – being responsible for formulating and implementing labour-related policies such as policies on labour insurance, labour welfare, labour relations and labour standards.</li> </ul>

## Overview of poverty alleviation strategies in Taiwan (cont'd)

<b>Social safety net of last resort</b>	
Objectives	<ul style="list-style-type: none"> <li>• The Public Assistance System aims to provide assistance and disaster relief to needy citizens and enable them to become self-reliant.</li> </ul>
Relevant legislation	<ul style="list-style-type: none"> <li>• <i>Public Assistance Act</i> 《社會救助法》 enacted in 1980.</li> </ul>
Major categories of recipients	<ul style="list-style-type: none"> <li>• Low-income families.</li> <li>• The elderly.</li> <li>• The disabled.</li> <li>• Those incapable of work.</li> <li>• Victims of disasters and their families.</li> </ul>
Major categories of assistance	<ul style="list-style-type: none"> <li>• Living subsidies.</li> <li>• Medical subsidies.</li> <li>• Aid for emergency.</li> <li>• Aid for disasters.</li> </ul>
Expenditure	<ul style="list-style-type: none"> <li>• In 2012, NT\$10.9 billion (HK\$2.9 billion) was granted to needy citizens as living subsidies and NT\$677 million (HK\$182 million) was granted under other categories of assistance.</li> </ul>
<b>Poverty alleviation strategies for specific target groups</b>	
Major poverty alleviation strategies for low-income families	<ul style="list-style-type: none"> <li>• Under the Public Assistance System, eligible low-income families may be provided with:               <ul style="list-style-type: none"> <li>(a) monthly means-tested basic living support up to NT\$14,794 (HK\$3,965) per person, which is calculated based on the number of work-capable family members, and income level and amount of assets of the recipient families;</li> </ul> </li> </ul>

## Overview of poverty alleviation strategies in Taiwan (cont'd)

<b>Poverty alleviation strategies for specific target groups (cont'd)</b>	
Major poverty alleviation strategies for low-income families (cont'd)	<ul style="list-style-type: none"> <li>(b) allowances for children aged under 15, students at secondary level or above, the elderly, and members with disabilities<sup>1</sup>;</li> <li>(c) medical subsidies;</li> <li>(d) special assistance such as nursing, education and rent subsidies; and</li> <li>(e) vocational training, employment services and work relief benefit for work-capable family members to promote their self-reliance.</li> </ul> <ul style="list-style-type: none"> <li>• Eligible low-income families with children aged below two are provided with childcare allowance or nursery care subsidy.</li> </ul>
Major poverty alleviation strategies for the unemployed	<ul style="list-style-type: none"> <li>• Eligible unemployed persons are provided with assistance such as:               <ul style="list-style-type: none"> <li>(a) unemployment benefit, early re-employment allowance, and vocational training living allowance during periods of unemployment under the Employment Insurance Scheme;</li> <li>(b) education subsidy for children's education and rent subsidy; and</li> <li>(c) employment support, counselling and vocational training services.</li> </ul> </li> <li>• As at December 2012, 6.2 million employees were covered under the Employment Insurance Scheme. Unemployment benefits were granted to 144 631 recipients in December 2012.</li> </ul>

<sup>1</sup> These allowances include: (a) living subsidy for children aged below 15, (b) "Student Living Assistance" for students at secondary level or above, (c) "Living Allowance for Medium- and Low-Income Elderly" for elderly persons aged 65 and above, and (d) "Disability Living Allowance" for family members with different degree of physical and mental disabilities.

## Overview of poverty alleviation strategies in Taiwan (cont'd)

<b>Poverty alleviation strategies for specific target groups (cont'd)</b>	
Major poverty alleviation strategies for the needy elderly	<ul style="list-style-type: none"> <li>• Eligible elders aged 65 and above may be provided with:               <ul style="list-style-type: none"> <li>(a) a monthly "Living Allowance for Medium- and Low-Income Elderly" (中低收入老人生活津貼) of up to NT\$7,200 (HK\$1,930) under the Public Assistance System;</li> <li>(b) a monthly "Special Care Allowance for Medium- and Low-Income Elderly" (中低收入老人特別照顧津貼)<sup>2</sup> of NT\$5,000 (HK\$1,340); and</li> <li>(c) a non-contributory means-tested basic pension of NT\$3,500 (HK\$938) per month under the National Pension Programme.<sup>3</sup></li> </ul> </li> <li>• As at December 2012, 120 968 elderly persons (4.7% of total population aged above 65) received the "Living Allowance for Medium- and Low-Income Elderly" and 793 052 elderly persons (30.5% of total population aged above 65) received the basic pension under the National Pension Programme.</li> </ul>
Major poverty alleviation strategies for persons with disabilities	<ul style="list-style-type: none"> <li>• Eligible persons with disabilities are provided with:               <ul style="list-style-type: none"> <li>(a) "Disability Living Allowance" (身心障礙者生活補助) ranging from NT\$3,500 (HK\$938) to NT\$8,200 (HK\$2,198) per month under the Public Assistance System;</li> <li>(b) disability benefits under various social insurance schemes<sup>4</sup>;</li> </ul> </li> </ul>

<sup>2</sup> The allowance is granted to those existing recipients of "Living Allowance for Medium- and Low-Income Elderly" that require special care but are not receiving any subsidized special care services such as residential care and home care services.

<sup>3</sup> The National Pension Programme was introduced in 2008. It aims to provide basic economic security and stable living to citizens and their survivors who cannot get proper protection under other social insurance schemes such as the mandatory Labor Insurance Scheme and Labor Pension Programme. Recipients of the "Living Allowance for Medium- and Low-Income Elderly" are not eligible to receive the basic pension.

<sup>4</sup> For example, insured persons who are diagnosed as severely disabled and examined as having no capability to work may receive disability pension payment of at least NT\$4,700 (HK\$1,260) per month under the National Pension Programme.

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## Overview of poverty alleviation strategies in Taiwan (cont'd)

<b>Poverty alleviation strategies for specific target groups (cont'd)</b>	
Major poverty alleviation strategies for persons with disabilities (cont'd)	<p>(c) premium subsidies for various social insurance schemes; and</p> <p>(d) benefits such as subsidies for nursing and maintenance expenses (托育養護費補助), and auxiliary appliance assistance (醫療及輔助器具費用補助).</p> <ul style="list-style-type: none"> <li>• In 2012, the government provided "Disability Living Allowance" to 348 034 persons with disabilities on average per month.</li> </ul>

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