

立法會
Legislative Council

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LC Paper No. CB(2) 868/04-05
(These minutes have been seen by
the Administration)

Subcommittee to study the subject of combating poverty

Minutes of meeting
held on Friday, 14 January 2005 at 8:30 am
in the Chamber of the Legislative Council Building

- Members present** :
- Hon Frederick FUNG Kin-kee, JP (Chairman)
 - Hon James TIEN Pei-chun, GBS, JP (Deputy Chairman)
 - Hon Albert HO Chun-yan
 - Hon LEE Cheuk-yan
 - Hon Fred LI Wah-ming, JP
 - Hon Margaret NG
 - Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
 - Hon CHAN Yuen-han, JP
 - Hon LAU Chin-shek, JP
 - Hon Emily LAU Wai-hing, JP
 - Hon Andrew CHENG Kar-foo
 - Hon TAM Yiu-chung, GBS, JP
 - Hon Abraham SHEK Lai-him, JP
 - Hon LI Fung-ying, BBS, JP
 - Hon WONG Kwok-hing, MH
 - Hon Alan LEONG Kah-kit, SC
 - Dr Hon Fernando CHEUNG Chiu-hung
 - Hon Ronny TONG Ka-wah, SC
 - Hon Albert Jinghan CHENG
 - Hon KWONG Chi-kin
- Members absent** :
- Hon LEUNG Yiu-chung
 - Hon LEUNG Kwok-hung
- Public officers attending** :
- Mr Henry TANG, GBS, JP
Financial Secretary

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Mr Stephen IP, GBS, JP
Secretary for Economic Development and Labour

Professor Arthur LI, GBS, JP
Secretary for Education and Manpower

Dr Patrick HO, JP
Secretary for Home Affairs

Dr York CHOW, SBS
Secretary for Health, Welfare and Food

Mr Matthew CHEUNG, JP
Permanent Secretary for Economic Development and Labour
(Labour)

Clerk in attendance : Mrs Constance LI
Chief Council Secretary (2)5

Staff in attendance : Mr Watson CHAN
Head, Research and Library Services

Mr Simon LI
Research Officer 6

Miss Betty MA
Senior Council Secretary (2)1

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I. Confirmation of minutes of meeting

[LC Paper No. CB(2) 620/04-05]

The minutes of the meeting on 9 December 2004 were confirmed.

II. Setting up of the governmental inter-departmental committee on aiding the poor

[LC Paper No. CB(2)488/04-05(01)]

2. The Chairman welcomed the Financial Secretary (FS) and other representatives of the Administration. The Chairman said that the Chief Executive (CE) had announced in his Policy Address on 12 January 2005 that a Commission to alleviate

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poverty would be established and chaired by FS. In reply to his question raised at the CE's Question and Answer Session on 13 January 2005, CE had also said that the Commission would be advisory in nature. The Chairman invited FS to give more details of the scope of work, membership and operation of the Commission.

3. FS said that the membership of the Commission was under consideration, and it would comprise Government officials (i.e. the four bureau secretaries attending this meeting), Members of the Legislative Council (LegCo), businessmen, non-government organisations (NGOs), experts and academics. The Commission would be of a reasonable size in order to achieve optimal efficiency.

4. FS further said that the Commission would study, from a macro perspective, the problems being faced by those in poverty with a view to taking practical measures to help those who suffered from poverty due to old age, disability or single-parent family, and those in low-income employment. The Commission would play a crucial role in coordinating the work of different bureaux and departments and mobilising community resources to alleviate the problem of poverty. FS hoped that the Commission would have high credibility and could achieve practical results.

5. As regards the terms of reference of the Commission, FS said that these would be considered by the Commission at its first meeting and would be made public afterwards. As pointed out in the Policy Address, the policy direction was to promote economic growth and create employment opportunities through market force. The objective was to provide individuals with the opportunity to enhance their abilities for upward social mobility, through education as well as training and retraining. The Government would also review how the provision of a social safety net could be further improved.

Operation of the Commission to alleviate poverty

6. Mr Fred LI expressed support for the establishment of the Commission to alleviate poverty. However, he expressed concern that the Commission was only advisory in nature, and did not have any powers or functions.

7. FS said that the Commission had specific tasks to do, for example, implementing measures to help the poor in the community and coordinating the efforts of different departments and the community in implementing/improving such measures. FS explained that members of the Commission would work as a team and bureau secretaries sitting on the Commission would take policy decisions on matters agreed to by the Commission.

8. Mr LEE Cheuk-yan commented that if the Commission would comprise bureau secretaries and had power to formulate strategies and make decisions, it was not merely an advisory body and this should be spelt out clearly.

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9 Dr Fernando CHEUNG welcomed the establishment of the Commission to alleviate poverty. He hoped that the Commission could effectively coordinate the efforts of the various sectors in assisting the poor.

10. Ms LI Fung-ying said that she hoped the Commission could make practical achievements in assisting the poor. She asked when the Commission would commence work. FS responded that the Commission would start preparatory work by the end of January 2005.

11. Ms Emily LAU also welcomed the setting up of the Commission. However, Ms LAU expressed concern whether the Commission would be able to make practical achievements given the experience of the Economic and Employment Council (EEC) which was also chaired by FS. She pointed out that a number of issues had been raised for discussion by EEC to improve the business environment, but not much progress had been made so far. She considered that the Commission to alleviate poverty should be given powers to implement its proposals, and that its meeting should be conducted in public to enhance its transparency and accountability.

12. FS disagreed that the operation of EEC was ineffective. He hoped that members should not look for quick results under the influence of the “fast food culture”. As the issues under discussion by EEC were complicated, careful consideration had to be given to the various implications of the proposals and improvement measures. FS further said that meetings of the Commission to alleviate poverty would not be conducted in public, but the deliberations and decisions of the Commission would be made public from time to time. Moreover, the Commission would discuss with the LegCo Subcommittee to study the subject of combating poverty, and consult the parties concerned on any new initiatives to alleviate poverty.

13. Ms Emily LAU said that as the Commission had not yet held its first meeting, FS should not decide at this stage that the Commission’s meetings would not be open to the public. Ms LAU considered that it should be for the Commission to decide whether to hold meetings in public.

14. Mr James TIEN agreed that closed meetings would enhance the efficiency of the Commission in conducting its business. Mr TIEN said that while he agreed that the Commission should not take forward any initiatives in a hasty manner, it should strive to meet public expectation and deliver concrete measures within a reasonable timeframe. Mr TIEN further said that the proposed terms of reference of the Commission should be provided to the appointees for their consideration.

15. FS responded that the Commission’s mission had been clearly set out in CE’s Policy Address. The proposed terms of reference would be provided to the appointees, and these could be modified if necessary by the Commission when it held its first meeting.

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16. Mr Ronny TONG expressed disappointment that the Policy Address did not provide an overall policy on helping the poor and needy. Mr TONG asked which bureau or organisation would be responsible for formulating and implementing such policy as the Commission was only an advisory body. Mr TONG also asked about the objectives of the Commission and how it would work with the LegCo Subcommittee.

17. Mr Ronny TONG further said that the Commission should enhance the transparency of its operation, for example, by making regular reports to the Subcommittee and the public and providing channels for collecting public views.

18. FS said that the Commission and the LegCo Subcommittee shared the same objective in alleviating poverty, and he hoped that the Commission and the Subcommittee would work together. It was expected that the Commission would meet regularly with the Subcommittee to exchange views on measures to alleviate poverty. Moreover, the Commission would include Members of LegCo and this would enhance communication between the Commission and LegCo. As regards public consultation, FS cited the example of the preparation of the Budget, where the public were invited to give proposals while the deliberations were held at closed meetings for better effectiveness.

19. On the mission of the Commission, FS said that CE had already announced the broad policy objectives in his Policy Address. FS stressed that it was necessary to have tripartite cooperation among the Government, the NGOs and the community in alleviating the problem of poverty.

20. Ms Margaret NG agreed that the Commission should be an “action” or “work” committee, and it should draw on the experience of NGOs in alleviating the problem of poverty. Ms NG said that the work of the Commission was of high importance and it should provide its agenda or work plan to the Subcommittee as soon as possible.

21. Mrs Selina CHOW said that it was important for the Commission to report its work to LegCo and the public, but it was not necessary for the Commission to hold open meetings. Mrs CHOW agreed that the Commission should be an “action” committee and it should focus its work on areas which already had consensus, and it should provide concrete measures to alleviate the problem of poverty.

Membership of the Commission to alleviate poverty

22. Mr Fred LI said that the Commission should include members representing the grass-roots interests. Mr LEE Cheuk-yan said that the appointment of members to the Commission should not aim to “balance” the divergent views of members, as this would lead to no decisions of the Commission.

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23. FS said that the membership of the Commission would broadly represent the interests of different sectors of the community. The Commission would adopt a fair and practical approach to take forward its work.

24. Ms Emily LAU considered that members of the Commission should be nominated by the relevant organisations, and that there should be a reporting mechanism for these members to report the Commission's work back to their respective organisations. FS said that he believed that individual members of the Commission would report their work to their respective organisations.

25. Mr James TIEN said that LegCo had passed a motion in November 2004 urging, inter alia, the Government to set up a "governmental" inter-departmental committee to aid the poor. He considered that the committee should comprise the relevant Permanent Secretaries and Heads of Departments. As creation of employment was an important strategy to aid the poor, the Secretary for Commerce and Industry and Technology (SCIT) and the commerce and industrial sector should also be represented on the Commission. He added that the membership of the Commission should be kept to a manageable size.

26. FS said that the official members to be appointed to the Commission would be the Secretary for Economic Development and Labour (SEDL), the Secretary for Education and Manpower (SEM), the Secretary for Health, Welfare and Food (SHWF) and the Secretary for Home Affairs, as they were responsible respectively for employment and retraining, education, provision of a safety net, and community involvement. The policies and measures agreed by the Commission would be implemented through the Permanent Secretaries and Heads of Departments.

27. Mr Ronny TONG said that the Administration should enhance the transparency of the appointment process. He asked about the authority, the criteria and the procedure for appointment of members to the Commission.

28. FS said that the membership of the Commission would be decided by the Government. FS reiterated that, as announced in CE's Policy Address, the Commission would comprise LegCo Members, government officials, businessmen, academics, experts and NGOs. He would welcome suggestions or nominations on the membership of the Commission.

29. Ms Margaret NG pointed out that a number of NGOs had conducted studies on the problem of poverty and had put forwards concrete suggestions and measures to combat the problem. She considered that there was no need for the Administration to conduct separate studies on these issues again. She suggested that the Administration should include representatives from these NGOs in the Commission.

30. Mrs Selina CHOW said that to enhance the efficiency of the Commission, the membership size of the Commission should be limited to about 20. Mrs CHOW further said that if SCIT would not be a member of the Commission, she hoped that

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SEDL would gauge the views of the commercial sector for consideration by the Commission.

31. Mr WONG Kwok-hing urged that the Commission should include representatives from the labour sector.

Work priorities of the Commission to alleviate poverty

32. Mr Fred LI said that SHWF had recently indicated that the Government had no intention of establishing a poverty line. As this was a controversial subject, Mr LI considered that the matter should be discussed by the Commission and it was not appropriate for SHWF to make such remarks at this stage. Mr LI added that there should also be immediate measures to help children from the poor families, and such measures should not be confined to providing education.

33. FS responded that SHWF's recent remarks on poverty line were only to explain the Government's current position. FS said that it would be for the Commission to consider whether a poverty line should be established by making reference to overseas experience.

34. On helping children from poor families, SHWF said that as announced in the Policy Address, the Administration would provide more assistance for the younger generation of needy families, and to give these children and young people ample opportunities to receive education and comprehensive development as they grew up. A Head Start Programme on Child Development would be launched on a pilot basis for children aged between zero and five in four selected communities, i.e. Tin Shui Wai, Tuen Mun, Sham Shui Po and Tseung Kwan O. SHWF added that other support and advancement programmes would also be provided for children between six and 15 and those from poor families aged between 15 and 24. Details of these programmes would be provided to Members during the policy briefings for Panels next week.

35. SEM said that education was important in enhancing the abilities of children and enabling them to get away from poverty. After-school learning and interest activities also played an important part in the healthy development of children. In this connection, the Education and Manpower Bureau (EMB) had been working closely with NGOs and schools to provide school-based activities after school and other support services for needy students. These included supplementary tuition classes and/or whole-person development programmes. In view of the limitation of resources, pilot programmes would first be carried out in four districts.

36. Mr TAM Yiu-chung asked whether consideration would be given to extending the Start Head Programme to Tung Chung in view of the high percentage of families receiving Comprehensive Social Security Assistance (CSSA) in this district.

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37. SEM said that almost half of the children living in Tung Chung came from families on CSSA. However, some other districts also had a relatively high percentage of families on CSSA. Given the resource constraints, the Commission would have to consider whether the pilot programme should be extended to other districts. EMB would also examine ways to join the efforts of NGOs in meeting the needs of these children.

38. In response to Ms LI Fung-ying, FS said that the work priorities would be determined by the Commission after discussion. He hoped that the Commission would start work as soon as possible.

39. Dr Fernando CHEUNG considered that the Commission should study the situation of poverty in Hong Kong, and it would be difficult to avoid the issue of establishing a poverty line. He said that the Government should also avoid making new policies or measures that would create poverty, for example, the contracting-out of government services had resulted in unreasonably low wages for the contract workers. In this connection, he hoped the Commission could play an effective coordinating role in preventing and alleviating poverty.

40. Mr LEE Cheuk-yan said that the Commission would have to define its target groups, and it was therefore necessary to define “poverty” or the low-income level. Mr LEE pointed out that some previous researches defined low-income as one receiving a monthly salary of less than one-half of the median income, and about 1.28 million of people in Hong Kong fell within this category. Mr LEE further said that poor children came from poor families, and it was not enough to help only the children without addressing the poverty problem of their families.

41. FS reiterated that it would be for the Commission to decide whether it would discuss the poverty line. FS said that establishing a poverty line in Hong Kong was a controversial issue. While some people had urged for the establishment of a poverty line, some other people considered it unnecessary because such a “line” was always changing, for example, the level of CSSA was subject to adjustments in line with the consumption pattern and economic situation.

42. Mr James TIEN pointed out that the carried motion on “Alleviating the disparity between the rich and the poor” did not include the establishment of a poverty line, and Members belonging to the Liberal Party had expressed their views on the issue when debating on the motion. Mr TIEN agreed that inter-generational poverty could only be reduced through provision of education to the children so that they could find a decent job and move up the social ladder. He said that the problem of poverty could not be resolved simply by providing social security assistance. He added that CE had pointed out in his Policy Address that, according to a manpower projection study conducted in 2003, by 2007, the workforce would face a shortage of over 100 000 well-educated persons but a possible excess of 230 000 workers with relatively low educational attainment. In this connection, the Commission should gauge the views of the commercial sector on the manpower needs in the coming years.

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43. Ms Margaret NG said that the Commission was primarily tasked to formulate measures or strategies to alleviate poverty, and to mobilise community resources in implementing these measures. Ms NG suggested that –

- (a) the Commission should decide on its targets and devise methods for measuring the effectiveness of its work;
- (b) the Commission should make public its agenda or work plan and provide periodic reports to the LegCo Subcommittee for discussion; and
- (c) the Commission should start work on those areas which already had consensus among the community, and where the problem was the most serious (e.g. children in poverty, unemployment and low-income workers).

Ms NG added that the Commission might find it useful to study the definition of poverty as this would provide benchmarks for the Commission to evaluate the effectiveness of measures introduced.

44. Mrs Selina CHOW said that Members belonging to the Liberal Party had made it clear during the motion debate that they did not support the establishment of a poverty line. Mrs CHOW further said that to assist the poor and needy did not necessarily mean granting subsidies and financial assistance to them, and it was more important to provide opportunities for enhancement and social upward mobility. The Administration should make reference to the experience of the Ireland in providing retraining to the able-bodied unemployed.

45. Mr Andrew CHENG said that it was unacceptable that the Gini Coefficient of Hong Kong ranked the fifth among the developed economies. Hence, the Commission should not rule out the study of a poverty line. Mr CHENG further said that he was sad to learn that some members of the middle class considered that measures to alleviate poverty were made at the expense of their interests. It was therefore important for the Commission to instil the correct attitude that poverty was a social problem and not caused by the poor themselves. He also urged the Government to formulate a comprehensive policy to address the poverty problem as soon as possible.

46. Mr Albert HO also urged the Commission to formulate its work priorities as soon as possible. Mr HO considered that there should be objective benchmarks for measuring the effectiveness of measures introduced. He reminded the Government that it had to make a progress report to the United Nations Committee on Economics, Social and Cultural Rights on the establishment of an inter-departmental anti-poverty unit or an independent anti-poverty Commission.

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47. Mr WONG Kwok-hing urged that the Commission should study the wage levels of workers employed by contractors of government services. In his view, such wage levels should not be lower than the monthly CSSA allowance. Mr WONG further said that the Commission should consider providing an unemployment allowance, instead of CSSA, to the unemployed.

48. FS assured members that the Commission to alleviate poverty would adopt a pragmatic approach to assist those who suffered from poverty. The Commission would cooperate and work together with LegCo, listen to views from different sectors and launch its operation as soon as possible.

III. Work plan of the Subcommittee

[LC Paper Nos. CB(2) 583/04-05(01) & (02)]

[LC Paper No. IN16/04-05]

[LC Paper No. CB(2) 632/04-05(01)]

49. The Chairman said that the working group of the Subcommittee had prepared a paper outlining the proposed study areas and the work plan of the Subcommittee for members' consideration.

50. Ms Margaret NG said that the working group's proposal was drawn up before the establishment of the Commission. Ms NG believed that the Commission would have finalised its membership, terms of reference and agenda before the next meeting of the Subcommittee. In the light of the latest developments, Ms NG suggested that the Administration should be invited to the Subcommittee's next meeting to brief members on the work plan of the Commission and exchange views with members on the future working relationship between the Commission and the Subcommittee.

51. Mr Ronny TONG suggested that the Subcommittee could consider inviting nominations from the social welfare sector for appointment to the Commission.

52. The Chairman said that it would be more appropriate for the social welfare sector to forward their nominations directly to FS for consideration. The Chairman suggested that the Subcommittee would discuss the following topics at the next meeting (paragraph 3(a) to (c) of LC Paper No. CB(2)583/04-05(01)) –

- (a) definition(s) of poverty;
- (b) the situation of poverty in Hong Kong; and
- (c) impact of economic changes/policies on the problem of poverty.

The Chairman further suggested that academics and social welfare/social policy research organisations which had conducted relevant studies on the topics above, as well as major commerce and trade organisations, would be invited to give views at the

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next meeting. In addition, the Administration would be requested to report the progress of the setting up of the Commission and the Commission's work plan. Members agreed.

53. Ms Emily LAU said that deputations should also be invited to give views on the membership of the Commission, the appointment criteria for and nomination of members to the Commission. Ms Margaret NG said that deputations should be invited to give views on the operation of the Commission.

54. Referring to his letter dated 11 January 2005, Dr Fernando CHEUNG said that the Subcommittee should also study issues relating to review of the taxation system and the setting up of trust fund(s) to assist those in need by the commercial sector. The Chairman said that Dr CHEUNG's proposals would be added to the list of possible study areas and topics.

55. Members agreed that the next meeting would be held on 23 February 2005 from 10 am to 12:30 pm to meet with the Administration and deputations.

II. Any other business

56. There being no other business, the meeting ended at 10:05 am.

Council Business Division 2
Legislative Council Secretariat
17 February 2005