

立法會
Legislative Council

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LC Paper No. CB(2) 1233/04-05
(These minutes have been seen by
the Administration)

Subcommittee to Study the Subject of Combating Poverty

Minutes of meeting
held on Wednesday, 23 February 2005 at 10:00 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
- Members absent** : Hon LEUNG Yiu-chung
Hon LEUNG Kwok-hung
Hon KWONG Chi-kin
- Public officers attending** : Mr Henry TANG, GBS, JP
Financial Secretary
- Dr York CHOW, SBS
Secretary for Health, Welfare and Food

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Miss Shirley YUEN
Administrative Assistant to Financial Secretary

Ms Edna WONG
Assistant Secretary to Commission on Poverty

Attendance by Invitation : Hong Kong Council of Social Service

Mr CHUA Hoi-wai
Business Director

Society for Community Organization

Mr NG Wai-tung
Community Organizer

Miss SZE Lai-shan
Community Organizer

Hong Kong Social Workers' General Union

Mr CHEUNG Kwok-che
President

Ms WONG Wai-ling
Secretary

Hong Kong Social Workers Association

Dr Alice YUK
Board Director

The Boys' and Girls' Clubs Association of Hong Kong

Ms LAW Suk-kwan
Assistant Director

Mr WONG Kwai-yau
Supervisor

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Oxfam Hong Kong

Mr WO Man-lung

Hong Kong Social Security Society

Mr Alan SZE

Ms Jo LI

Alliance concerning CSSA

Mr CHOY Man-kit
Member

Ms WONG Shek-hung
Member

Caritas – Hong Kong

Ms Asis WONG
Social Work Supervisor

Mr FUNG Hing-kau
Social Work Supervisor

Federation of Hong Kong Industries

Mr Stanley LAU
Deputy Chairman

Mr Roger TAM
Manager

Dr WONG Hung
Assistant Professor, Department of Social Work
The Chinese University of Hong Kong

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Dr LUI Hon-kwong
Associate Professor
Department of Marketing & International Business
Lingnan University

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

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

Mr Jackie WU
Research Officer 1

Ms Vicky LEE
Research Officer 3

Mr Michael YU
Research Officer 7

Miss Betty MA
Senior Council Secretary (2)1

Ms Anna CHEUNG
Legislative Assistant (2)5

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I. Confirmation of minutes of meeting
[LC Paper No. CB(2) 868/04-05]

The minutes of the meeting on 14 January 2005 were confirmed.

II. Meeting with deputations and the Administration
[LC Paper No. CB(2) 902/04-05(01)]

2. The Chairman welcomed representatives of the deputations to the meeting.

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Views of deputations

Hong Kong Council of Social Service (HKCSS)
[LC Paper No. CB(2) 869/04-05(01)]

3. Mr CHUA Hoi-wai presented the views of HKCSS as detailed in its submission. Mr CHUA said that while HKCSS supported the establishment of a poverty line, the Commission on Poverty (CoP) should conduct studies on the basic needs of low-income families and vulnerable groups, and formulate indicators and targets for implementing anti-poverty strategies.

4. Mr CHUA further said that HKCSS also welcomed the setting up of the Subcommittee. Mr CHUA suggested that the Subcommittee should consider forming working group(s) to conduct in-depth discussion and public hearings on specific topics as outlined in the Subcommittee's paper (LC Paper No. CB(2) 583/04-05(01)), and then provide recommendations to the Administration. He hoped that the Subcommittee would take the lead in stimulating the discussions in the community on alleviation of poverty.

Society for Community Organization (SOCO)
[LC Paper No. CB(2) 915/04-05(01)]

5. Mr NG Wai-tung and Miss SZE Lai-shan presented the views of SOCO as detailed in its submission. They stressed that the Government should strive for reducing inter-generational poverty. Miss SZE said that there were still no details on the proposed Head Start Programme to be launched by the Government. Mr NG said that the Government should assist the unemployed or low-skilled workers to find better jobs by implementing measures to eliminate discrimination against age and people with criminal or mental illness records. These measures would not have resource implications. Moreover, the Government should also encourage recipients of Comprehensive Social Security Assistance (CSSA) to enrol in training courses and to assist them in obtaining licences for particular trades.

6. Miss SZE said that CoP should consider establishing a poverty line in order to identify its target groups (which should include the CSSA recipients and low-income families) and formulate anti-poverty strategies. She further said that CoP should encourage participation of the business sector and public bodies in helping the disadvantaged.

Hong Kong Social Workers' General Union
[LC Paper No. CB(2) 915/04-05(02)]

7. Ms WONG Wai-ling and Mr CHEUNG Kwok-che presented the views of the Union as detailed in its submission, which proposed measures to alleviate poverty and gave views on the operation of CoP. They considered that CoP should not only play an advisory role, but should have power to formulate and implement anti-poverty strategies.

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*Hong Kong Social Workers Association
[LC Paper No. CB(2) 959/04-05(03)]*

8. Dr Alice YUK presented the views of the Association as detailed in its submission which was tabled at the meeting. Dr YUK said that it was unavoidable to study the definition of poverty from different perspectives, if the Government was to alleviate poverty. It was also necessary for CoP and the Subcommittee to collect, on a regular basis, data relating to poverty in Hong Kong in view of the changing economic situations, to enable practical strategies to be formulated. Dr YUK hoped that the Subcommittee would be proactive in making recommendations and mobilising efforts in all sectors of the community to alleviate poverty.

(Post-meeting note : The written submission from Hong Kong Social Workers Association was issued to members vide LC Paper No. CB(2)959/04-05(03) on 25 February 2005.)

*The Boys' and Girls' Clubs Association of Hong Kong
LC Paper No. CB(2) 889/04-05(01)*

9. Ms LAW Suk-kwan and Mr WONG Kwai-yau presented the views of the Association as detailed in its submission. Ms LAW said that the definition of poverty was changing given the changes in economy and society. In nowadays society, it was more common to adopt the relative poverty concept. On the role of the Subcommittee, Ms LAW said that apart from monitoring the work of CoP, the Subcommittee should also encourage academic institutions to conduct longitudinal studies on the problem of poverty. She also suggested CoP to make reference to the Head Start Project of the United States.

10. Mr WONG Kwai-yau said that as the needs of different disadvantaged groups were not the same, CoP should form working groups to study the needs of poor families and to mobilise/co-ordinate resources in districts to implement measures to alleviate poverty. Mr WONG also urged that CoP should enable participation of different sectors in combating poverty.

*Oxfam Hong Kong, Hong Kong Social Security Society and Alliance concerning CSSA
[LC Paper Nos. CB(2) 869/04-05(02) and CB(2) 869/04-05(03)]*

11. Mr Alan SZE, Mr WO Man-lung and Ms WONG Sek-hung jointly presented the views of the above three organisations. Their views were detailed in their joint submission and supplementary information on "Review of the National Anti-poverty Strategy".

(Post-meeting note : The presentation materials and supplementary information on "Review of the National Anti-poverty Strategy" were issued to members vide LC Paper Nos. CB(2)959/04-05(01) and CB(2)959/04-05(02) on 25 February 2005.)

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12. Mr Alan SZE said that they welcomed the setting up of CoP which demonstrated Government's determination to alleviate poverty. He considered it important for the Government to establish a poverty line in order to collect reliable information and devise an objective standard for implementing measures to alleviate poverty. Mr SZE further said that CoP should formulate short-term and long-term anti-poverty strategies. It should also devise a mechanism to evaluate its effectiveness, and provide public forums for different sectors of the community to discuss and participate in alleviating poverty.

13. Mr WO Man-lung briefed members on the structure and operation of the proposed social and economic forum, as detailed in Annex I of the joint submission. He added that the proposed social and economic forum was modelled on the experience of Ireland which had proven to be successful.

14. On the work priorities of CoP, Ms WONG Sek-hung said that it should –

- (a) foster the development of partnership between Government and non-governmental organisations (NGOs);
- (b) have clear power and sufficient resources for gauging public views and implementing measures to alleviate poverty;
- (c) conduct independent research on a regular basis and devise clear indicators for determining its target; and
- (d) formulate clear benchmarks for reviewing the effectiveness of measures introduced.

Caritas – Hong Kong

15. Ms Asis WONG and Mr FUNG Hing-kau presented the views of Caritas – Hong Kong, as follows –

- (a) CoP should define its target groups and identify the support measures as early as possible;
- (b) CoP should form focus groups and conduct open forums to enhance direct communication with its target groups;
- (c) CoP should give priority to assist young people (by providing apprenticeship training), disabled persons (by setting a quota for employment of disabled persons by companies), ethnic minorities and new arrivals (by providing language courses and employment services);

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- (d) CoP should study the problem of the families suffering from poverty in order to provide appropriate services to children from these families. Sufficient resources should also be provided to schools to strengthen support services.

Federation of Hong Kong Industries (FHKI)
[LC Paper No. CB(2) 915/04-05(03)]

16. Mr Stanley LAU presented the views of FHKI, as detailed in its submission. Mr LAU said that FHKI welcomed the setting up of CoP. He stressed that it was important to differentiate the concept of absolute poverty and relative poverty. While FHKI supported that Government should provide assistance to those in absolute poverty, disparity between the rich and the poor was considered a driving force for the latter group to move up the social ladder. FHKI considered that Government should consider other forms of assistance, rather than giving out CSSA, to the unemployed.

17. Mr Stanley LAU further said that FHKI considered that the problem of poverty could be tackled at source, i.e. by creating more employment through economic growth. The Government should encourage the industries to move back to Hong Kong. The Government should also discuss with the Mainland authorities the daily quota of the One-way Permits. He suggested that Government could launch an enterprise mentorship programme by making reference to the experience of the Small and Medium Enterprise Mentorship Programme. He added that FHKI considered it inappropriate to study the issue of minimum wage in the context of measures to alleviate poverty.

Dr WONG Hung, Assistant Professor, Department of Social Work, The Chinese University of Hong Kong
[LC Paper No. CB(2) 915/04-05(04)]

18. Dr WONG Hung presented his views as detailed in his submission. Dr WONG stressed that it was necessary to establish a poverty line or several poverty lines, which would be determined on the basis of research findings and also political considerations. The Government could make reference to the experience of overseas countries in drawing up the poverty line. For example, the Mainland adopted the minimum living standard security line as the benchmark for absolute poverty. In the United Kingdom (UK), the poverty line was determined as those whose household income was below one-half of the average household income, and these households were further divided into five groups. However, Hong Kong could examine whether a lower household income should be used in drawing up a poverty line.

19. Dr WONG Hung said that establishing poverty lines would enable Government to assess the effectiveness of measures introduced. As the income eligibility for CSSA allowance was commonly regarded as a poverty line in Hong Kong, CoP could use this as the basis for conducting studies on the basic needs of these families.

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*Dr LUI Hon-kwong, Associate Professor, Department of Marketing & International Business, Lingnan University
[LC Paper No. CB(2) 869/04-05(04)]*

20. Dr LUI Hon-kwong presented his views as detailed in his submission. Dr LUI said that as there were no universally accepted definitions of poverty, it was unrealistic for CoP to define a simple poverty line applicable to all households in Hong Kong. The CoP could adopt the CSSA level as a benchmark for identifying poverty families in Hong Kong and focus its efforts in formulating measures to alleviate poverty. Dr LUI expressed concern that establishing a poverty line would stigmatise those families below the poverty line.

21. Dr LUI Hon-kwong further said that the main reason of poverty was unemployment or low-income employment. The problem was caused by an accelerated increase of low-skilled labour force. In his view, CoP should seriously consider ways to enhance the quality and skill of the labour force to meet the market demands. It should also change parents' thinking that their children must go to grammar schools and universities. Dr LUI considered that it was more important for children to be equipped with special skills.

Administration's response to the views and suggestions of deputations

22. The Chairman invited the Financial Secretary (FS) to give more details of the work progress of CoP and respond to the views and suggestions of deputations.

23. FS said that the policy direction of alleviating poverty 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. FS further said that as there were many reasons attributed to poverty, CoP would study various social indicators to identify the right group of targets. It would also review how the provision of a social safety net could be further improved.

24. FS explained that CoP was not responsible for implementing measures to alleviate poverty. Instead, CoP was tasked to make policy recommendations to prevent and alleviate poverty, to promote self-reliance, and to co-ordinate the work of different bureaux/departments and district organisations in this respect. Bureaux secretaries sitting on CoP would be responsible for implementing the policies as agreed by CoP. Where necessary, other bureaux secretaries or their representatives would also be invited to attend meetings of CoP.

25. FS added that CoP had discussed the implementation of measures at its first meeting. The CoP agreed that a district-based approach in studying and identifying as well as addressing the needs of the poor should be adopted, and a practical work programme should be drawn up as soon as possible. FS hoped that CoP would work together with the Subcommittee, since the Chairman and Deputy Chairman of the Subcommittee were also members of CoP. To update the Subcommittee on the

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progress in poverty alleviation, the Secretariat of CoP would make available relevant papers on CoP's website, and where appropriate, provide papers to the Subcommittee.

26. Secretary for Health, Welfare and Food said that certain key issues merited further discussion by CoP before making recommendations on measures to alleviate poverty. For instance, there were debates on the issue on how to define poverty and the target groups requiring additional support and services. In the circumstances, CoP would first consider devising quantifiable indicators to better assess the poverty situation in Hong Kong.

Discussion

27. The Chairman said that in view of the time constraints, discussion of agenda items II and III would take place together.

28. Ms Emily LAU thanked the deputations, particularly FHKI, for attending the meeting. Referring to the joint submission from Oxfam Hong Kong, Hong Kong Social Security Society and Alliance concerning CSSA, Ms LAU asked whether their representatives had any concrete suggestions on the operation of CoP, having regard to the poverty alleviation experience of Ireland.

29. Mr Alan SZE of Hong Kong Social Security Society responded that as implementation of measures to alleviate poverty would straddle different policy areas, CoP could model on the experience of Ireland, and set up an anti-poverty committee under each bureau/department to implement specific measures under its policy purview. In Ireland, the committees under the different bureaux reported to the co-ordinating committee, which was chaired by the Prime Minister. Mr SZE considered that CoP should also play a co-ordinating role in alleviating poverty. Mr SZE stressed that it was necessary to mobilise community resources, and a public forum should be provided to enable NGOs and the public to participate.

30. Ms Emily LAU asked FS whether CoP would model on the experience of Ireland in alleviating poverty.

31. FS said that it would be too early to say that CoP would not be successful under its current mode of operation, as it had only held the first meeting. At present, there was no intention to change the mode of operation of CoP. FS stressed that the Government would work together with NGOs, business sectors, academics and the Legislative Council (LegCo) Subcommittee in combating the problem of poverty.

32. Dr Fernando CHEUNG said that some deputations seemed to suggest that many new arrivals were low-skilled and of low educational standard. He hoped that CoP would avoid looking at the issue of new arrivals from a negative angle. Dr CHEUNG further said that the joint submission from Oxfam Hong Kong, Hong Kong Social Security Society and Alliance concerning CSSA had provided a useful comparison of anti-poverty agencies in five places. Comparing the operation of CoP with those in other countries, Dr CHEUNG considered that CoP should devise a set of

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clear, quantifiable poverty indicators to identify the target groups, and also monitor the changes in population profiles. Dr CHEUNG asked whether CoP would issue papers on its strategies for public consultation. He suggested that CoP should consider setting up a social and economic forum for the purpose.

33. FS said that the operation of CoP was similar to that of the anti-poverty agencies referred to in the joint submission. FS further said that as he had explained earlier, it was not practicable to establish a single poverty line or use a single indicator to define and measure the different needs of various target groups. The CoP had agreed that the Government would conduct a study to devise a series of social indicators. FS added that CoP was tasked to formulate a comprehensive policy to alleviate poverty and would adopt a pragmatic approach to its work. While its membership comprised members of different background, CoP would also consult the public on important long-term policies. CoP would, as a first step, visit Tin Shui Wai in March 2005 to gauge views at the district level.

34. Mr Ronny TONG thanked the deputations, especially representatives of FHKI, for attending the meeting. Mr TONG agreed that CoP and the Subcommittee should avoid stigmatising the new arrivals and elders who required additional support and services. In this connection, he suggested that FS should consider ways to eliminate discrimination against the disadvantaged groups. Mr TONG said that the issue of setting a minimum wage should be pursued. He pointed out that the number of low-income earners had increased significantly, notwithstanding the recent economic recovery. About 275 000 workers were receiving a monthly income of less than \$5,000. Mr TONG believed that setting a minimum wage would be the most effective way to help employed people stand on their own without having to rely on CSSA.

35. Mr Stanley LAU of FHKI said that as Hong Kong practised free economy, the wage level was determined by market force, and not by individual employers or business associations. The wage level would go down if there was over-supply of labour. Mr LAU further said that an artificial increase in wage level would increase costs, and weaken Hong Kong's competitiveness. He stressed that there was no need to introduce a mandatory minimum wage level.

36. Mr Ronny TONG said that the Gini Coefficient of Hong Kong had fully reflected that there were some problems with the existing economic system of Hong Kong. Mr TONG pointed out that the Mainland and Singapore had introduced the minimum wage, and he could not see how Hong Kong would become less competitive by introducing a minimum wage.

37. Mr LEE Cheuk-yan said that while he had no objection to the policy direction of CoP, CoP should seriously address the problem of working poverty, because the low-skilled workers could not benefit much from economic growth or retraining. Mr LEE further said that most low-income earners wanted to stand on their own, but they were unable to make both ends meet despite working long hours. Some had to take up more than one job in order to earn more income, and this had increased the overall

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labour supply. Mr LEE considered that FS should not place too much emphasis on self-reliance, as it would give the public an impression that the Government wanted to shirk its responsibility in assisting the needy. Mr LEE also expressed concern that if a series of social indicators were adopted, it would become even more difficult to define the target groups. Mr LEE suggested that CoP should focus its efforts on the low-income groups.

38. On the issue of minimum wage, FS said that as a result of globalisation, Hong Kong was facing competition from places all over the world. Since Hong Kong practised free trade, investors would transfer their investment to other places if the costs in Hong Kong were too high. FS further said that the Labour Advisory Board had discussed the issue at its last meeting, and the Economic and Employment Council would further discuss the matter as it would have far-reaching implications. The Government would also study the experience of those countries which had set a minimum wage, in particular its impact on the economy. FS stressed that CoP would study, from a macro perspective, the problems being faced by those in poverty, with a view to taking practical measures to help the poor and needy. He disagreed with Mr LEE Cheuk-yan that the current approach could not achieve practical results.

39. The Chairman said that the issue of minimum wage would be further studied by the Subcommittee when the issue of working poverty was discussed.

40. Mr Albert HO said that while he accepted that there was income disparity in any capitalist economy, he was concerned about the widening gap between the rich and the poor in Hong Kong. He considered that even though the income eligibility for CSSA allowance was generally accepted by the community as a poverty line, CoP should adopt clear indicators in order to assess the effectiveness of the measures introduced. Mr HO noted that Dr WONG Hung had suggested that different benchmarks for granting subsidies or assistance should be devised to include those who were in need but did not apply for CSSA. Mr HO asked Dr WONG Hung whether it was possible for the community to have consensus on these indicators.

41. Dr WONG Hung of the Chinese University of Hong Kong said that the consensus on the concepts of absolute poverty and relative poverty was now emerging. As he had explained earlier, a set of indicators or levels of poverty should be adopted. For example, absolute poverty referred to the minimum level for survival, and the low-income level referred to those receiving a monthly income of less than one-half of the median income. The low-income group could be further sub-divided into various groups. Dr WONG pointed out that the Social Welfare Department had conducted a study on basic needs in 1996, and HKCSS was currently conducting a similar study. As there were different opinions on the items that should be included in the definition of basic needs, the Government should gauge public views through open forums in determining the poverty indicators.

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42. Mr Albert HO asked whether the Government would consider re-allocation of resources through a review of the taxation system, to prevent deterioration of income disparity in Hong Kong. He also asked whether the Government would include an assessment on poverty when formulating new policies.

43. FS said that the Administration would consult relevant parties as appropriate when formulating policies, and members of CoP could also provide input if a policy would have impact on the poverty situation in Hong Kong. FS further said that taxation was a tool for re-distribution of resources, and it was not only for alleviation of poverty.

44. Ms Margaret NG thanked the deputations, especially representatives of FHKI, for attending the meeting. Ms NG said that she shared the views of deputations that CoP should formulate policies to alleviate poverty, review existing measures to alleviate poverty, co-ordinate the work of different bureaux and departments, and mobilise community resources.

45. Ms Margaret NG further said that FS had earlier stated that the work of CoP and this Subcommittee would complement each other, as both the Chairman and Deputy Chairman of the Subcommittee were appointed as members of CoP. Ms NG sought clarification on the working relationship between CoP and the Subcommittee, and FS's expectation on the role of the Chairman and Deputy Chairman of the Subcommittee as members of CoP. Ms NG further asked whether the appointment of the Chairman and the Deputy Chairman of the Subcommittee to CoP would affect their independence in expressing their views at the Subcommittee meetings, given that CoP had to report its work to the Subcommittee.

46. FS said that CoP and the Subcommittee would work together in alleviating poverty. FS further said that as he might not be able to attend all the meetings of the Subcommittee in discussing the work of CoP, he hoped that the Chairman and Deputy Chairman of the Subcommittee could make periodic reports to the Subcommittee about the discussions of CoP.

47. The Chairman said that he did not agree that he was appointed to CoP in the capacity of Chairman of the Subcommittee, and he had never been informed of FS's intention in this regard. As he was not nominated by the Subcommittee to serve on CoP, he did not consider that he had the responsibility to report the work of CoP to the Subcommittee. It should be for CoP to make periodic reports to the Subcommittee. The Chairman further said that the Subcommittee would monitor the work of CoP, and both would work together in taking forward measures to alleviate poverty. If the Subcommittee did not agree to any measure/policy proposed by CoP, the Subcommittee would reflect such views to CoP and Government.

48. Mr James TIEN said that he believed that his appointment to CoP was made in his own personal capacity. He further said that he would express views on behalf of the business sector and the Liberal Party at meetings of CoP, but not as the Deputy Chairman of the Subcommittee. Mr TIEN further said that he hoped CoP would hold

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more frequent meetings. While it was not necessary for FS to attend every meeting of the Subcommittee, representatives of the Administration should make periodic reports to the Subcommittee on the discussions of CoP. He stressed that it was more important for the Subcommittee and CoP to work together to take forward practical measures to alleviate poverty, rather than debating on the arrangements for CoP to report to the Subcommittee.

49. FS said that there was no divergence in views that the Chairman and Deputy Chairman of the Subcommittee were not representing the Subcommittee when they serve on CoP. However, they had multiple roles as LegCo Members and members of CoP. FS further said that CoP had agreed that all non-classified discussion papers and a gist of members' discussions would be uploaded to the website after each meeting.

50. Ms Margaret NG said that the Subcommittee should monitor the work of CoP. It should be for CoP to report its work to the Subcommittee, and the Chairman and Deputy Chairman of the Subcommittee should not report to CoP the deliberations of the Subcommittee.

51. The Chairman responded that it was the Subcommittee's responsibility to monitor the work of CoP and he would not report to CoP as Chairman of the Subcommittee. FS reiterated that CoP would provide paper(s) to the Subcommittee where appropriate.

52. Mr Alan SZE of Hong Kong Social Security Society said that he expected that the Subcommittee would monitor the work of CoP and the Government. The Subcommittee would provide a forum for the Government to gauge public views on its anti-poverty strategies and policies. Mr SZE further said that the formation of a social and economic forum would provide another channel for CoP to gauge public views.

53. Ms LI Fung-ying sought clarification from the representatives of FHKI about its position on the provision of assistance to the unemployed. Ms LI said that many of the unemployed would prefer an assistance scheme which was separated from the CSSA Scheme. For example, travelling subsidies for attending job interviews, and other support services should be considered for the unemployed.

54. Mr Stanley LAU responded that FHKI did not support providing general cash subsidy to the unemployed, but subsidies for meeting specific needs, such as transport coupons, were acceptable. He cited the experience of Switzerland where assistance to the unemployed was provided subject to a set of conditions and for a specified period. He considered it more important to create employment opportunities and to encourage the unemployed to find employment. Mr LAU added that FHKI was studying the proposal of encouraging every small and medium enterprise to employ one unemployed person.

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55. The Chairman said that the subject of partnership with the business sector would be discussed at future meetings of the Subcommittee, and FHKI would be invited to give further views on the matter.

56. The Chairman thanked the representatives of deputations for attending the meeting.

III. Proposed research outlines

[LC Paper No. CB(2) 889/04-05(02)] and [LC Paper No. CB(2) 889/04-05(03)]

57. Members noted the proposed research outlines on “Poverty combating strategies in selected places” and “Benchmarks for granting subsidies or financial assistance to the people in need in Hong Kong” prepared by the Research and Library Services Division of LegCo Secretariat.

58. Dr Fernando CHEUNG suggested that information on the number of households or people whose living standards were below the eligibility criteria for CSSA allowance should be included in the relevant research projects.

IV. Way forward

[LC Paper No. CB(2) 583/04-05(01)]

[LC Paper No. IN16/04-05]

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

59. The Chairman said that the following items proposed by members would be included in the proposed study areas and work plan of the Subcommittee –

- (a) Working poverty;
- (b) Setting up of trust fund(s) to assist those in need by the commercial sector; and
- (c) Review of the taxation system.

60. Dr Fernando CHEUNG suggested that the Subcommittee should consider conducting visits to obtain first-hand information on the problem of poverty –

- (a) visits to districts which had the greatest problem of poverty; and
- (b) visits to overseas countries which had taken effective measures to combat the problem of poverty.

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61. The Chairman said that the Subcommittee would consider Dr CHEUNG's proposal at its next meeting. Members would be informed of the date of the next meeting in due course.

62. There being no other business, the meeting ended at 1:05 pm.

Council Business Division 2
Legislative Council Secretariat
11 April 2005