

立法會
Legislative Council

Ref : CB2/HS/1/04

LC Paper No. CB(2) 1820/05-06

Subcommittee to Study the Subject of Combating Poverty

**Minutes of meeting
held on Tuesday, 28 February 2006 at 4:30 pm
in Conference Room A 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 Margaret NG
Hon CHAN Yuen-han, JP
Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Dr Hon Fernando CHEUNG Chiu-hung
Hon Ronny TONG Ka-wah, SC
Hon Albert Jinghan CHENG
- Members absent** : Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon Abraham SHEK Lai-him, JP
- Clerk in attendance** : Mrs Constance LI
Chief Council Secretary (2)5
- Staff in attendance** : Miss Betty MA
Senior Council Secretary (2)1

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I. Confirmation of minutes of meetings

[LC Paper Nos. CB(2)1210/05-06 and CB(2)1211/05-06]

The minutes of meetings on 30 November and 13 December 2005 were confirmed.

II. Women in poverty

[LC Paper No. CB(2) 1214/05-06]

[LC Paper No. CB(2) 1215/05-06]

[LC Paper No. FS 07/05-06]

2. The Chairman said that at the meeting on 12 July 2005, members agreed to accord priority to the study on “working poverty” and “women in poverty”. The Subcommittee had presented its report on working poverty to the House Committee on 10 February 2006 and the motion on the report was passed at the Council meeting on 15 February 2006. The Chairman informed members that the Commission on Poverty (CoP) would discuss the subject on assistance to the working poor on 27 March 2006. The Administration would be invited to respond to the Subcommittee’s recommendations in its report on working poverty after CoP had held its meeting.

3. The Chairman said that the Subcommittee would now proceed to its study on the subject of “women in poverty”. The Chairman further said that the Legislative Council (LegCo) Secretariat had prepared a background brief, which summarized the discussions held by Members relating to the subject of women in poverty. As the Census and Statistics Department (C&SD) had just provided up-dated statistics for the study on women in poverty, he suggested that the Subcommittee would consider these statistics at a future meeting. The Chairman informed members that three submissions had been received on the subject of women in poverty. His submission had been issued to members, and the submissions from Dr Fernando CHEUNG and Hong Kong Federation of Women’s Centre were tabled at the meeting.

(Post-meeting note : The submissions tabled at the meeting were issued to members vide LC Paper No. CB(2) 1274/05-06.)

4. The Chairman invited members’ views on the causes of and measures to assist women in poverty, and whether additional information should be obtained from relevant bureaux and departments.

5. Ms LI Fung-ying said that she was very concerned about women who were in poverty. Ms LI suggested that discussion could base on the background brief prepared by the LegCo Secretariat, and members could provide further views for incorporation into a discussion paper.

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6. The Chairman took members through the background brief. On the differences in pay and educational attainment between the two sexes, the Chairman referred members to paragraphs 5 and 8 in his submission (LC Paper No. CB(2) 1214/05-06). The Chairman said that the female working population who received only primary education had increased significantly in the past 10 years. On the other hand, the total number of women homemakers was 55 times more than that of men homemakers. He wondered whether the lower educational attainment and lack of working experience or skills were reasons for women to fall into poverty. The Chairman considered that to better understand the phenomenon, it would be useful to obtain further information on the trend in educational attainment of the two sexes, in particular those for the younger generation, new arrivals, single parents and married women.

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7. Ms LI Fung-ying noted from the background brief that the loss of low-skilled jobs due to economic restructuring was considered one of the causes of women in poverty. She pointed out that there was a mismatch of labour force following economic re-structuring. Many experienced female workers who were previously engaged in low-skilled jobs had lost their jobs, and they did not possess the knowledge for taking up the high-skilled jobs. As regards women in needy households and single-parent households, Ms LI considered that these women would easily fall into poverty because they had spent most of their time caring for their families, and their earning power was comparatively low. There should be more support for those women who had to take care of their families and could not go out to work.

8. Ms Emily LAU said that according to the manpower projection some years ago, the Administration had pointed out that there was a serious mismatch of human resources in Hong Kong. There was a loss of low-skilled jobs due to the disappearance of traditional labour-intensive industries. On the other hand, the demand for better-educated and higher-skilled workers would remain strong in the coming years. However, the Administration did not seem to have formulated long-term retraining or continuing education programmes to upgrade the quality of the working population. The Administration had also not made sufficient efforts to upgrade the level of education and skills of those female employees engaged in low-paid and low-skilled jobs. Ms LAU requested the LegCo Secretariat to provide information on the Administration's manpower forecast.

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9. Ms Margaret NG noted from paragraph 15 of the background brief that although the unemployment rate of women was lower than that of men, a relatively higher proportion of women was engaged in lower-income jobs and casual employment. Ms NG sought the views of Ms LI Fung-ying as to whether a minimum wage would lead to further loss of jobs for the low-skilled female workers, or it could prevent further lowering of wage levels.

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10. Ms LI Fung-ying said that the labour sector had urged for the setting of a minimum wage. She considered that minimum wage would have a positive impact in ensuring a minimum level of income for low-paid workers. She commented that the society should progress and should not only rely on low wages to compete with other places. She pointed out that some female workers had a monthly income less than the Comprehensive Social Security Assistance (CSSA) payments.

11. The Chairman added that over 60% of female employees were engaged in part-time employment, and that was a reason for their having a lower income. Mr LEUNG Yiu-chung pointed out that many women engaged in part-time or casual employment because they had to look after their families. He hoped that the Social Welfare Department could strengthen child care support for working mothers.

12. Ms Emily LAU said that at the Administration's briefing for the 2006-07 Budget, Members were advised that workers earning less than \$5,000 a month (excluding part-time workers) had decreased from 6.5% of the total workforce in 1995 to 5.7% in 2005. However, the Administration had not provided information on the wage level for part-time employment. Ms LAU pointed out that the Chairman had stated in his submission that there were 1.2 million part-time workers in Hong Kong. According to C&SD's General Household Survey, the respective numbers of workers earning less than \$4,000 a month were 95 600 and 191 800 in 1994 and 2004 respectively. Ms LAU considered that the Administration had deliberately twisted the statistics relating to employment and earnings. Ms LAU requested that information should be obtained on the wage level for part-time employment to throw light on the situation of women in poverty.

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[*Post-meeting note* : The Administration's response was circulated to members vide LC Paper No. FC46/05-06 dated 7 March 2006.]

13. Referring to paragraph 25(c) of the background brief, Ms LI Fung-ying suggested that protecting women against discrimination in wage adjustments should be included in the future report. Ms LI pointed out that it was not uncommon that women received lower wages than men in performing the same type of jobs. She suggested the LegCo Secretariat to obtain more information in this respect to enable members to analyse the phenomenon.

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14. Dr Fernando CHEUNG said that to provide assistance to single parents and new arrivals, the Administration had set up five Single Parent Centres since 2001. However, these Centres were closed two years ago, and the Integrated Family Service Centres would provide services to all types of families in need, including single parents and new arrivals. Dr CHEUNG considered that to study measures to assist women in poverty, the Subcommittee should examine the reasons for closing the centres for single parents and new arrivals, and whether the Integrated Family Service Centres could meet the specific needs of single parents and new arrivals.

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15. Ms Margaret NG said that many female One-way Permit Holders arriving after 1997 had a reasonable standard of education and they had working experience prior to their arrival in Hong Kong. However, some of these female new arrivals could not take up employment in Hong Kong because they were divorced and had to look after their families. These women therefore faced more hardship because they had to adapt to the new environment in Hong Kong in addition to facing the family problems. Ms NG considered it worthwhile for the Subcommittee to look into the situation of female new arrivals from the Mainland. She said that some organisations such as the Society for Community Organisation and the University of Hong Kong had conducted studies/seminars on the subject, and the Subcommittee could make reference to these study findings.

16. Ms Margaret NG commented that adequate child care services were essential to enable women to engage in employment and be self-reliant, and such services should not be made available only to a small group of women. Ms NG pointed out that the issue of strengthening child care support for working mothers had been discussed for over 20 years, and the Subcommittee should study what problems the Administration had encountered in improving the service.

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17. The Chairman requested the LegCo Secretariat to obtain information on the reasons for closing the centres for single parents and new arrivals, the Administration's plan for providing services for these groups of people, and the relevant studies on female new arrivals.

18. Mr LEUNG Yiu-chung said that women faced greater financial problems at old age than men. For those women who were homemakers, they had to depend on their husbands or family members financially. As a result, they did not have much savings for their retirement, and they were not covered by any retirement protection scheme. Mr LEUNG considered the problem would aggravate with the ageing of the population.

19. Dr Fernando CHEUNG advised that the Panel on Welfare Services would discuss the needs of elderly at its April meeting. Dr CHEUNG considered that the subject of women in poverty was of direct relevance to the work of the Women's Commission. To his understanding, the Women's Commission had worked on gender mainstreaming as an initiative to empower women and to enable them to escape from poverty. Dr CHEUNG suggested that Women's Commission should be invited to a meeting of the Subcommittee to explain its work relating to women in poverty. He also suggested that deputations be invited to give views on women in poverty.

20. The Chairman said that as some organizations had previously provided views on the subject of women in poverty, the Subcommittee could invite deputations to attend the Subcommittee's meeting at a later stage when members had formulated some initial views on women in poverty.

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21. Ms Emily LAU supported Dr Fernando CHEUNG's suggestion. Ms Emily LAU said that the Women's Commission had put in place measures for promoting gender mainstreaming, and a gender mainstreaming checklist had been developed as an analytical tool to help government officials to implement gender mainstreaming. However, the general public did not seem to understand the concept of gender mainstreaming which was rather academic. She herself also had reservations about the effectiveness of the checklist. Ms LAU requested the LegCo Secretariat to obtain information on the progress made in the implementation of the gender mainstreaming checklist and its effectiveness in assisting women in poverty. The Administration should also be requested to advise the Subcommittee of the plan in rolling out the checklist to more policy areas/programmes. Ms LAU suggested that the analysis under paragraph 20 of the background brief should be placed under a sub-heading of "Gender prejudice and stereotyping".

22. In response to Ms Emily LAU and Mr Ronny TONG, Dr Fernando CHEUNG said that the gender mainstreaming checklist was advocated by some women associations aiming to incorporate the needs, concerns and experiences of both men and women in the formulation of laws and policies. This was to ensure that any policy or law should not have an adverse impact on the interests or rights of women. However, the checklist had not been very effective in achieving its objective, as it had not been applied to all policy areas/programmes yet.

23. Mr Ronny TONG considered that the recommendations made by the Women's Commission were too conceptual and theoretical. Mr TONG said that it was not necessary for the Subcommittee to follow the approach adopted by the Women's Commission. Instead, the Subcommittee should focus on public recognition of the unremunerated work of women as homemakers.

24. Referring to paragraph 45 of the background brief, Ms Margaret NG said that the seven-year residence requirement for new arrivals to receive CSSA and public housing benefits was unreasonable, because new arrivals were mostly in need of such benefits.

25. Regarding the difficulties for divorced women to receive maintenance payment, Ms NG said that maintenance payees had to resort to legal proceedings for recovering arrears of maintenance. Although a maintenance payee was eligible for the arrear interests and a surcharge at a rate to be decided by the court, the proceedings were costly and time consuming. More importantly, the mechanism was not very effective in recovering the maintenance payments in arrear. Ms NG informed members that the Bills Committee on Interest on Arrears of Maintenance Bill 2001 had previously studied the issue of setting up an intermediary body for the collection and enforcement of maintenance payments. However, as the establishment of an intermediary body was outside the ambit of the Bills Committee, the Bills Committee had not pursued the matter. Ms NG considered that to assist divorced women from falling into financial difficulty because of default payment of maintenance, the Subcommittee might consider revisiting the proposal of setting up of

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an intermediary body for the collection and enforcement of maintenance payments. She requested the LegCo Secretariat to provide information on the past discussions on the subject.

26. Miss CHAN Yuen-han said that married women who were home-makers and single mothers were more vulnerable to fall into poverty. She further said that some low-income women had a monthly income of less than \$4,000, and they were not covered by the Mandatory Provident Funds Scheme. As for single mothers, Miss CHAN agreed with Ms Margaret NG that these women would fall into financial difficulty because of default payment of maintenance. She expressed support for the proposal of setting up of an intermediary body for the collection and enforcement of maintenance payments.

27. Miss CHAN Yuen-han further said that in the fourth quarter of 2005, the median monthly employment earning of men was \$10,000 whereas that for women was \$9,000. She suggested that the Subcommittee should study the pay difference between the two sexes for the same type of job. She further suggested that the Administration should be invited to give an account of the progress made in reducing discrimination against women since the enactment of the Sex Discrimination Ordinance (SDO) and Family Status Discrimination Ordinance (FSDO). Miss CHAN added that to alleviate the problem of women in poverty at root, the Administration should implement the principle of "equal pay for work of equal value" (EPEV).

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28. Ms Emily LAU expressed support for Miss CHAN Yuen-han's suggestions. Ms LAU said that the Subcommittee should also take the opportunity to review whether improvements could be made to these anti-discrimination laws. She suggested to request the assistance of the Legal Service Division of the LegCo Secretariat in identifying improvements to specific provisions in SDO and FSDO for the purpose of further reducing discrimination against women and assisting women to escape from poverty.

29. Mr Alan LEONG suggested that the Co-operative Society Ordinance should also be reviewed in order to facilitate the establishment of co-operative societies by women in the local community.

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30. Ms Emily LAU noted from paragraph 33 of the background brief that the Equal Opportunities Commission (EOC) had examined the findings and recommendations submitted by consultants on the first phase of the EPEV study, and EOC would announce the results at a later stage. Ms LAU suggested that the Subcommittee should enquire when the study report would be available. Ms LAU further suggested that information should be obtained from the Administration on the participation role of women in the decision-making structure, particularly participation of women from grassroots.

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31. Ms Emily LAU said that the Subcommittee should also raise the issue of labour protection for those who were not employed under a continuous contract as many low-income women were engaged in part-time work. Ms LAU further said that the Subcommittee on Review of CSSA Scheme had discussed in length the Administration's proposal to require single parents on CSSA with the youngest child of age below 12 to participate in the Active Employment Assistance Programme under the Support for Self-reliance Scheme. She suggested that the Subcommittee might wish to point out that it was unreasonable to ask single parents with young children to take up employment, when there was inadequate child care support to these families.

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32. Mr Albert HO requested the LegCo Secretariat to obtain information on the progress made in the implementation of the Convention on the Elimination of All Forms of Discrimination Against Women in Hong Kong since the last report made by the Government of the Hong Kong Special Administration Region.

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33. The Chairman requested the LegCo Secretariat to obtain further information as requested by members. The Chairman said that the Subcommittee would invite representatives of NGOs, Women's Commission, EOC and relevant bureaux/departments to discuss the subject of women in poverty at the next meeting. Members agreed.

Follow-up on the Subcommittee's report on working poverty

34. Dr Fernando CHEUNG said that the Subcommittee had completed its report on working poverty. He asked how the Subcommittee should follow up the recommendations made in its report with the Administration.

35. The Chairman invited members' views whether the Administration should be invited to respond to the Subcommittee's report after CoP's meeting on 27 March 2006, as CoP would discuss assistance to the working poor at that meeting.

36. Mr Ronny TONG considered that the Subcommittee should urge the Administration to take immediate concrete actions to assist the working poor, and there was no need to wait for the discussion of CoP on the subject matter.

37. Miss CHAN Yuen-han said that she preferred an early meeting with the Administration to discuss concrete measures to assist the working poor, as the Budget gave no detail in this respect.

38. Ms Emily LAU agreed that the Administration should be invited to discuss with the Subcommittee concrete measures to assist the working poor. Ms LAU pointed out that paragraphs 63 and 64 of the 2006-07 Budget stated that starting from 2006-07, a recurrent funding of about \$100 million would be allocated to help disadvantaged groups, and additional funding of about \$230 million would be provided in the next five years to help the unemployed. However, the Budget had not mentioned whether there would be provisions for assisting the working poor. Ms

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LAU said that the Subcommittee should urge the Administration to allocate new money for providing assistance to the working poor in the 2006-07 Budget. Otherwise, the Administration would only provide assistance to the working poor starting from next year.

39. Miss CHAN Yuen-han said that according to paragraph 65 of the 2006-07 Budget, the Government would assist further in the development of social enterprise. The Administration should be invited to elaborate on its plans in this area.

40. The Chairman advised that members could seek clarifications about the resources allocated for specific policy areas/programmes at the special meetings of the Finance Committee (FC) to examine the Estimates of Expenditure 2006-07. At the request of Ms Emily LAU, the Chairman requested the Clerk to the Subcommittee to issue a circular to inform members of the specific sessions of the special FC meetings during which questions relating to poverty could be raised.

Clerk

41. Mr Ronny TONG pointed out that the Budget proposed to provide short-term travel support for residents living in Tin Shui Wai, Tung Chung and North District in the 2006-07 Budget. He considered the proposal ridiculous as it was limited to those who had completed full-time courses with the Employees Retraining Board. Mr TONG suggested that the Subcommittee should focus its discussion with the Administration the issue of transport subsidy to the working poor living in remote areas. He commented that the Administration should be able to give favourable consideration to this recommendation as there would be surplus in the Budget.

42. The Chairman suggested that the Financial Secretary (FS) should be invited to discuss with the Subcommittee whether there would be resources for assisting the working poor and for implementing the recommendations in the Subcommittee's report on working poverty. The Chairman proposed that the meeting with the Administration should be held before the Budget debate. Members agreed.

43. Ms Emily LAU added that to facilitate discussion with the Administration, the Subcommittee should consider providing concrete proposals, such as working out an estimate of costs for implementing the Subcommittee's recommendation(s). Mr Ronny TONG agreed with Ms LAU. Mr TONG said that at his earlier meeting with FS, FS had asked about the resources required for providing transport subsidies to the working poor. Mr TONG considered that an estimate of costs could be provided based on the number of working poor living in remote areas and the transportation costs for travelling to work in other districts. He further said that the Government could negotiate with the public transport operators to provide transport subsidies to the working poor.

44. The Chairman advised that in the Subcommittee's report on working poverty, working-poor households referred to those households with at least one member working and with a monthly household income below 50% of the median income of households of the same size. As a working-poor household might consist of more than

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one employed member, the LegCo Secretariat would be requested to obtain further information from C&SD on the number of employed persons in these working-poor households by districts. An estimate of costs for providing transport subsidies to the working poor living in remote areas in the northern and western parts of the New Territories would then be calculated.

45. Mr LEUNG Kwok-hung said that instead of providing an estimate of costs for providing subsidies to the working poor, the Administration should be urged to set up a fund to help people living in poverty. Mr Albert HO agreed that the setting up of a fund to help people living in poverty would demonstrate the Administration's commitment to address the problem of poverty.

46. Ms Emily LAU said that while she agreed to discuss with FS the allocation of additional resources for providing transport subsidies to the working poor, the Subcommittee should also urge the Administration to implement other recommendations made in the Subcommittee's report to help the working-poor households, for example, financial support to these households and the children living in these households. She requested the LegCo Secretariat to provide further information on the shortfall of income of a working-poor household in meeting their needs. Mr LEE Cheuk-yan said that the introduction of tax credits to low-income families would enable the working poor to have an acceptable standard of living.

47. The Chairman suggested that the Subcommittee could also discuss with FS the provision of financial assistance to the working poor to enable them to have an acceptable standard of living, i.e. the second safety net concept.

48. In concluding the discussion, the Chairman said that the Subcommittee would meet with the Administration before the Budget debate to discuss resources for assisting the working poor, in particular the following –

- (a) providing transport subsidy to the working poor living in remote areas in the northern and western parts of the New Territories for travelling to work in other districts;
- (b) providing financial assistance to the working poor to enable them to have an acceptable standard of living; and
- (c) setting up a fund to help people living in poverty.

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The Chairman requested the LegCo Secretariat to provide more information on the shortfall of income of a working-poor household and an estimate of costs for providing transport subsidies to the working poor living in remote areas in the northern and western parts of the New Territories.

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49. The Chairman said that members would be informed of the date of next meeting.

(Post-meeting note : The meeting with the Administration to discuss resources for assisting the working poor was held on 17 March 2006.)

50. There being no other business, the meeting ended at 6:15 pm.

Council Business Division 2
Legislative Council Secretariat
26 April 2006