

立法會
Legislative Council

LC Paper No. CB(2)2688/07-08
(These minutes have been
cleared with the Chairman)

Ref : CB2/HS/1/04

Subcommittee to Study the Subject of Combating Poverty

Minutes of meeting
held on Tuesday, 27 May 2008, at 4:30 pm
in Conference Room B of the Legislative Council Building

Members present : Hon Frederick FUNG Kin-kee, SBS, JP (Chairman)
Hon James TIEN Pei-chun, GBS, JP (Deputy Chairman)
Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP
Hon CHAN Yuen-han, SBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Mrs Anson CHAN, GBM, JP

Members absent : Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon Margaret NG
Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, SBS, JP
Dr Hon Fernando CHEUNG Chiu-hung
Hon Ronny TONG Ka-wah, SC

Clerk in attendance : Miss Betty MA
Chief Council Secretary (2) 4

Staff in attendance : Mr Chris LAI
Senior Council Secretary (2) 7

Action

I. Draft report on "Development of social enterprise"

[LC Paper No. CB(2)2027/07-08(01)]

The Subcommittee deliberated (index of proceedings attached at **Annex**).

2. Members considered the revised Chapters 1 to 5 of the draft report on "Development of social enterprise (SE)" which had incorporated the views made by members and deputations at the previous meetings. Members raised no questions on Chapters 1 and 2. The views of members on Chapters 3, 4 and 5 of the draft report were summarized below.

Chapter 3 (Problems faced by the SE sector)

- (a) to highlight that the Government lacked of commitment in formulating an overall policy to promote and support SE development, item (c) under paragraph 3.1 should be repositioned to item (a);
- (b) the lack of a definition of SE had led to various misconception and misunderstanding of the objectives and scope of businesses of SEs as well as the concern about unfair competition with small and medium enterprises (SMEs), which would hinder the development of SE in Hong Kong;

Chapter 4 (Strategies and measures to promote SE development)

- (c) it was the Government's responsibility to provide a definition of SE which would spell out clearly the social objectives of SEs and the target beneficiaries;
- (d) to state clearly SEs were not welfare business would help distinguish their mode of commercial operation from charitable activities;
- (e) it might not be necessary to set up a legal and regulatory framework for SEs if the Government could provide a clear definition of SE. As such, the Subcommittee would instead request the Government to study the need for setting up a legal and regulatory framework for SEs. Paragraphs 4.2(d) and 4.24 should be amended accordingly;
- (f) to allay the concern of SMEs, the Government should, as a first step, promote and support those SEs with a clear social objective for providing assistance to the disadvantaged who were difficult to find employment. Funding support should be provided only to those SEs with clear target beneficiaries and sustainable business plans;

Action

- (g) SEs should be encouraged to explore business opportunities in new market niches, obnoxious trades and unprofitable services not being provided by commercial corporations (such as cleansing services in old domestic buildings);
- (h) the operational experience of some sustainable local SEs and their success factors should be cited in the draft report;
- (i) while Government support to SEs should be time-specific, there was no need to specify the time limit in paragraph 4.20;
- (j) the Summit on Social Enterprise held in December 2007 should not be cited as an example of experience sharing sessions in paragraph 4.27; and

Chapter 5 (Recommendations)

- (k) a high-level cross-bureau task force should be set up to formulate overall strategies for SE development. The Government should also designate a bureau/department to be responsible for overseeing and promoting the development of and providing assistance for the SE sector.

3. Members agreed to continue discussion on Chapter 5 (Recommendations) of the draft report at the next meeting. The Chairman said that the Legislative Council (LegCo) Secretariat would incorporate members' views and suggestions, and revise the draft report accordingly. He invited members to submit further views in writing, if any, to the LegCo Secretariat before the next meeting.

II. Any other business

4. The Chairman said that members would be informed of the date of next meeting in due course.

(Post-meeting note : The next meeting was scheduled for 12 June 2008 at 2:30 pm.)

5. There being no other business, the meeting ended at 5:48 pm.

Council Business Division 2
Legislative Council Secretariat
23 July 2008

**Proceedings of the meeting of the
Subcommittee to Study the Subject of Combating Poverty
on Tuesday, 27 May 2008, at 4:30 pm
in Conference Room B of the Legislative Council Building**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda Item I – Draft report on "Development of social enterprise"</i>			
000000 - 000244	Chairman	Opening remarks	
000245 - 000417	Chairman Mr TAM Yiu-chung	Discussion on Chapters 1 and 2 of the draft report	
000418 - 010339	Chairman Mrs Anson CHAN Mr LEUNG Kwok-hung Mrs Selina CHOW Mr James TIEN Ms LI Fung-ying Miss CHAN Yuen-han	Discussion on Chapter 3 of the draft report	
010340 - 011031	Chairman Mrs Selina CHOW Mrs Anson CHAN Ms LI Fung-ying	Discussion on Chapter 4 of the draft report	
011032 - 011400	Chairman Ms LI Fung-ying Mrs Selina CHOW	Discussion on Chapter 5 of the draft report Members to provide further written views to the LegCo Secretariat, if any	
<i>Agenda Item II – Any other business</i>			
011401 - 011442	Chairman Mrs Selina CHOW	Date of the next meeting	

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