

立法會
Legislative Council

LC Paper No. CB(2)487/07-08
(These minutes have been
seen by the Administration)

Ref : CB2/HS/1/04

Subcommittee to Study the Subject of Combating Poverty

Minutes of meeting
held on Thursday, 8 November 2007, at 2:30 pm
in Conference Room A 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 Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon Margaret NG
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP
Hon CHAN Yuen-han, SBS, JP
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon LEUNG Kwok-hung

Members absent : Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon Alan LEONG Kah-kit, SC
Dr Hon Fernando CHEUNG Chiu-hung
Hon Ronny TONG Ka-wah, SC

Public Officers attending : Item I

Mr Byron NG
Assistant Commissioner for Labour
(Employment Services)

Ms Betty NG
Senior Labour Officer
(Employment Services) (Transport Support Scheme)

Miss Helen TANG
Principal Assistant Secretary for Labour and Welfare
(Poverty)

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

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

Miss Maggie CHIU
Legislative Assistant (2) 4

Action

I. Implementation of the pilot Transport Support Scheme
[LC Paper No. CB(2)253/07-08(01)]

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

2. The Chairman advised that although the Subcommittee had been monitoring closely the launch of the pilot Transport Support Scheme (TSS), given that the implementation of the Scheme was now overseen by the Labour Department and the Labour and Welfare Bureau, the policy area of TSS should be placed under the Panel on Manpower. To avoid possible overlap between the Subcommittee and the Panel on Manpower, the Chairman suggested and members agreed that issues relating to the implementation of TSS would be followed up by the Panel in future.

3. Noting that 4 710 persons had applied for registration under the pilot scheme as at end-October 2007, which constituted only about 6% of the estimate of some 80 000 people coming forth to apply for the allowances under TSS as outlined in the Finance Committee (FC) paper, Miss CHAN Yuen-han, Ms LI Fung-ying, Mr LEE Cheuk-yan and the Chairman held the view that the lukewarm response was due to the stringent eligibility criteria for TSS. They considered that the eligibility criteria should be relaxed to benefit more low-income employees, and made the following suggestions for the Administration's consideration –

- (a) the pilot scheme should be extended to low-income workers living in districts other than the four remote areas if they had to commute long distance to work;

Action

- (b) transport subsidy should be provided for low-income employees who lived in Tung Chung and worked in Ngong Ping, and those who lived in Tin Shui Wai and worked in Yuen Long, having regard to the heavy transport costs per journey;
- (c) in view of the increasing number of part-time and casual workers, especially in the service and retail sectors, low-income employees living in the four remote areas who worked less than 72 hours a month but worked across districts should also be eligible for the transport subsidy;
- (d) the monthly income limit of \$5,600 for the Cross-District Transport Allowance was too restrictive and should be raised;
- (e) the monthly amount of Cross-District Transport Allowance should be revised taking into account the fare adjustment of public transport; and
- (f) the Job Search Allowance should be disbursed at a flat rate instead of actual expenditure upon the submission of self-declarations on job search details by the applicants.

4. Mr LEE Cheuk-yan said that under the pilot TSS, a low-income employee whose monthly income was slightly higher than \$5,600 was not eligible for the allowance. Given that an eligible low-income employee could get a maximum of \$6,200 a month (i.e. monthly income of \$5,600 and a monthly Cross-District Transport Allowance of \$600) under the pilot scheme, consideration should be given to introducing a sliding scale of transport subsidy so that workers whose monthly income was less than \$6,200 would also be eligible for the allowance. The amount of the allowance would be calculated based on the difference between \$6,200 and the actual monthly income of the employee concerned.

5. Assistant Commissioner for Labour (Employment Services) (ACL(ES)) made the following responses –

- (a) in view of concern over its implementation, the Administration would step up publicity on the pilot TSS in the coming three months;
- (b) having regard to the relatively lack of local employment opportunities and the higher transport costs to work across districts, the Commission on Poverty had recommended that transport subsidy should be provided first to needy unemployed and low-income workers living in the four remote areas on a pilot basis.

Action

While residents living in other districts also faced unemployment problems, it was easier for them to find jobs in view of the relatively abundant supply of job opportunities in the urban areas;

- (c) the pilot scheme was intended to be simple and easy to administer. The proposed provision of transport subsidy on a sliding scale would give rise to complicated technical issues, thereby increasing the administrative costs and the workload of operating service centres; and
- (d) the Administration would conduct a mid-term review of the scheme in early 2008 in the light of the operational experience as well as views and suggestions from Members of the Legislative Council (LegCo) and the community. The Administration would revert to the Panel on Manpower on the review findings. Should changes to TSS be proposed, the Administration would have to seek the approval of FC to revise the scheme contents after consultation with the Panel on Manpower.

6. Members generally considered that there was a continued need for the provision of transport subsidy for low-income workers to help them remain in employment. In the meantime, the Cross-District Transport Allowance should be extended to 12 months to tie in with the duration of the pilot scheme. Noting that a mid-term review of the scheme would be conducted in early 2008, members made the following points –

- (a) given that the first batch of applicants would cease to receive the allowance in February 2008, the mid-term review of TSS should be conducted as early as possible with a view to presenting the review findings to the Panel on Manpower in January 2008 and seeking the necessary approval from FC in February 2008, in order to ensure that eligible employees could continue to receive the subsidy without interruption if the review recommended a continuation of the scheme; and
- (b) the review should examine the reasons why eligible low-income employees had not applied for transport subsidy.

7. ACL(ES) said that the provision of transport subsidy for low-income employees on a long-term basis would give rise to complex policy issues, including whether the pilot scheme would effectively become a new form of income supplement for low-income employees. ACL(ES) reiterated that the Administration would conduct a mid-term review of the scheme in early 2008 in the light of the operational experience as well as the views and suggestions from the community including Members of the LegCo. He added that the

Action

Administration would conduct a survey to gauge the views of TSS participants and low-income employees, including the reasons why some had not applied for the scheme. The survey findings would be taken into account in the course of the review.

8. Members strongly requested the Administration to provide a concrete timetable for conducting the mid-term review. ACL(ES) and Principal Assistant Secretary for Labour and Welfare (Poverty) responded that the Administration would make its best endeavours to expedite the review process and introduce relaxation measures by phases if possible. Since the pilot TSS had been launched for slightly more than four months and the mid-term review of the scheme had yet to commence, the Administration was unable to provide a concrete timetable for the review. ACL(ES) assured members that the Administration would report the review findings to the Panel on Manpower and seek FC's approval for revising the scheme contents, if necessary.

II. Any other business

9. The Chairman said that the Subcommittee would discuss the research report on the social enterprise (SE) policies and their implementation in the United Kingdom, Spain and Hong Kong prepared by the Research and Library Services Division of the LegCo Secretariat at the next meeting scheduled for December 2007. The Chairman further said that since the Administration would convene a summit on SE in December 2007, it would be an opportune time to invite the Administration to brief the Subcommittee on the details of and the preparations for the summit at the next meeting. He added that members would be informed of the date and time of the meeting in due course.

10. There being no other business, the meeting ended at 3:20 pm.

Council Business Division 2
Legislative Council Secretariat
3 December 2007

**Proceedings of the meeting of the
Subcommittee to Study the Subject of Combating Poverty
on Thursday, 8 November 2007, at 2:30 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda Item I – Implementation of the pilot Transport Support Scheme</i>			
000000 - 000349	Chairman	Opening remarks	
000350 - 000959	Miss CHAN Yuen-han Chairman Admin	<p>The views of Miss CHAN Yuen-han that –</p> <ul style="list-style-type: none"> (a) the pilot Transport Support Scheme (TSS) should be extended to low-income workers who lived in districts other than the four remote areas, if they had to commute long distance to work; (b) the monthly income limit of \$5,600 for Cross-District Transport Allowance should be raised; and (c) the timing for conducting the review of the scheme should be advanced <p>The Administration's response that –</p> <ul style="list-style-type: none"> (a) given the relative lack of local employment opportunities in the four remote areas and the high transport costs involved, the transport subsidy was provided to eligible persons living in these districts on a pilot basis; and (b) consideration would be given to conducting a mid-term review of the scheme in the light of the operational experience of TSS and suggestions of the LegCo Members and the community 	
001000 - 001502	Ms LI Fung-ying Admin	<p>Views of Ms LI Fung-ying that –</p> <ul style="list-style-type: none"> (a) there was a general consensus among CoP members that transport subsidy should be provided to all local low-income employees; (b) the income limit should be raised in view of the recent high inflation; and (c) the Administration should provide a concrete timetable for conducting the review and launching the improvement measures to the pilot TSS <p>The Administration's response that –</p> <ul style="list-style-type: none"> (a) members' suggestions would be taken into account when reviewing the pilot scheme; and (b) as the review had yet to be conducted, the Administration could not provide a concrete timetable for launching the improvement measures to the pilot scheme 	

Time marker	Speaker(s)	Subject(s)	Action required
001503 - 002139	Mr LEE Cheuk-yan Admin	<p>Views of Mr LEE Cheuk-yan that –</p> <ul style="list-style-type: none"> (a) the pilot scheme should be extended to all local low-income employees; (b) transport subsidy should be provided to eligible employees who had to travel from Tung Chung to Ngong Ping, or from Tin Shui Wai to Yuen Long, to work; (c) income limit of \$5,600 should be raised; (d) the Cross-District Transport Allowance should be provided on a sliding scale; and (e) since the transport subsidy would be provided for a maximum of six months and the first batch of applications had been approved in July/August 2007, the review should be completed no later than January/February 2008 to ensure that the eligible employees could continue to receive the subsidy without interruption <p>The Administration's response that –</p> <ul style="list-style-type: none"> (a) consideration would be given to reviewing the eligibility criteria for the scheme, including the income limit, when the mid-term review was conducted; (b) the proposal to provide the Cross-District Transport Allowance on a sliding scale would involve complex technical issues; and (c) it would make its best efforts to expedite the review process 	
002140 - 002702	Chairman Admin	<p>Issues of concern raised by the Chairman regarding the eligibility criteria, the implementation and the review of the pilot TSS, in particular –</p> <ul style="list-style-type: none"> (a) the processing of the payment of Job Search Allowance; and (b) the timing of the review of the pilot TSS <p>The Administration's advice that –</p> <ul style="list-style-type: none"> (a) the implementation of the pilot scheme, including the payment of Job Search Allowance, would be included in the review; and (b) it would seek the approval of the Finance Committee (FC) on the proposed changes to the scheme, after consulting the Panel on Manpower on the review findings and recommendations 	
002703 - 003207	Miss CHAN Yuen-han Admin	Views of Miss CHAN Yuen-han that –	

Time marker	Speaker(s)	Subject(s)	Action required
		<p>(a) the review of the pilot TSS should be advanced, as members had made repeated requests for improvements to the scheme; and</p> <p>(b) the requirement of working 72 hours or more per month should be relaxed</p> <p>The Administration's response that –</p> <p>(a) it would endeavour to expedite the review process, and where appropriate, introduce improvement measures by phases; and</p> <p>(b) the working hours requirement would be under review</p>	
003208 - 003718	Mr LEE Cheuk-yan Admin	<p>The views of Mr LEE Cheuk-yan that –</p> <p>(a) there was a continued need for the provision of transport subsidy to provide an incentive for low-income workers to remain in employment; and</p> <p>(b) to provide continued transport subsidy to the first batch of TSS recipients without interruption, the Administration needed to complete the review of the scheme and report the findings to the Panel on Manpower in January 2008 and seek FC's approval in February 2008 the latest</p> <p>The Administration's response that –</p> <p>(a) the transport subsidy should be time-limited and purpose-specific, and should not effectively become a long-term income supplement; and</p> <p>(b) it would expedite the review process</p>	
003719 - 004327	Mr LEUNG Kwok-hung Admin	<p>Views of Mr LEUNG Kwok-hung that –</p> <p>(a) transport subsidy should be provided to all local low-income workers; and</p> <p>(b) the Administration should provide a concrete timetable for conducting the review and submitting its proposal to FC</p> <p>The Administration's response that it would endeavour to expedite the review process, but could not provide a concrete timetable at this moment</p>	
004328 - 004519	Mr Albert HO Admin	Discussion on Mr Albert HO's suggestion that the Administration should examine the reasons why some low-income employees living in remote areas had not applied for the transport subsidy	
004520 - 010954	Chairman Admin	The view of the Chairman that as there was no complex policy issues involved and members' responses were expected to be positive, the Administration should seek FC's approval for making improvements to the pilot scheme as soon as possible	

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda Item II – Any other business</i>			
010955 - 011610	Chairman Mr Albert HO	Issues to be discussed at the December meeting	

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