

立法會
Legislative Council

LC Paper No. CB(2)806/06-07
(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, 9 November 2006, at 4:30 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, JP
Hon LEUNG Yiu-chung
Hon Emily LAU Wai-hing, JP
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon LEUNG Kwok-hung
Dr Hon Fernando CHEUNG Chiu-hung
Hon Ronny TONG Ka-wah, SC

Members absent : Hon Abraham SHEK Lai-him, JP
Hon Alan LEONG Kah-kit, SC
Hon Albert Jinghan CHENG

Public Officers attending : Item I

Mr Stephen FISHER, JP
Secretary to the Commission on Poverty

Ms WONG Yuen-ling, Edna
Assistant Secretary to the Commission on Poverty

Miss Hinny LAM
Principal Assistant Secretary for Health, Welfare and
Food (Women)

Mr D C CHEUNG
Principal Assistant Secretary for Health, Welfare and
Food (Elderly Services and Social Security) 2

Miss Joanna CHOI
Principal Assistant Secretary for Home Affairs (2)

Mr Victor NG
Principal Assistant Secretary for Home Affairs (4)

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

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I. Implementation of recommendations in the Subcommittee's Report on Women in Poverty (Paragraph 5.1(a), (b), (i), (k), (l), (n), (o), (p), (q), (r), (s), (t) and (u) in the Report)
[LC Paper Nos. CB(2)250/06-07(01) to (03)]

The Chairman said that the Subcommittee would continue discussion with the Administration and the Commission on Poverty (CoP) on the implementation of the recommendations in the Subcommittee's Report on Women in Poverty (paragraph 5.1 (a), (b), (i), (k), (l), (n), (o), (p), (q), (r), (s), (t) and (u)) at the meeting.

2. Principal Assistant Secretary for Health, Welfare and Food (Women) (PAS(HWF)(W)) briefed members on the Government's initiatives to assist the disadvantaged and promote women's interest and well-being, as set out in the Administration's paper [LC Paper No. CB(2)250/06-07(01)]. PAS(HWF)(W) added that the Government would continue to promote women's participation in

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the work of public sector advisory and statutory bodies.

Policy co-ordination

3. The Chairman, Dr Fernando CHEUNG and Mr Albert HO were disappointed that the Administration had only reiterated in its paper the existing poverty alleviation measures, which were considered inadequate and ineffective to assist women in poverty. Given the severity of the problem of women in poverty, they expected that the Administration and CoP would come up with new initiatives and provide specific response to recommendations in the Subcommittee's Report with a view to alleviating the problem. Dr CHEUNG was dissatisfied at the lack of a response from the Administration to the Subcommittee's recommendation on designating a bureau/department to assume the overall responsibility for coordinating policies and measures for alleviating the problems faced by women in poverty. Mr HO held the view that if the Administration disagreed with the Subcommittee's recommendations, it should provide members with an explanation.

4. Mr LEUNG Yiu-chung doubted the Administration's sincerity in introducing specific initiatives to address the problem of women in poverty. Although the Administration cited the Community Investment and Inclusion Fund (CIIF) as an initiative to lift women in low income out of poverty, the key objective of the Fund was to develop social capital.

5. Secretary to CoP (Secy/CoP) responded that the Government attached great importance to the difficulties faced by women in low income. In the 2006-2007 Policy Address, the Chief Executive announced that the Administration would study the feasibility of setting up a Family Commission to address various family problems, including women in low income, in a more holistic approach. Secy/CoP explained that CoP was a high-level advisory body tasked to make policy recommendations to prevent and alleviate poverty and to co-ordinate cross-sector anti-poverty efforts. The relevant bureaux and departments would be responsible for allocating resources and implementing the policies as agreed by CoP. In response to the Subcommittee's recommendations in the Report, the Administration had provided a written reply earlier on to the House Committee and would be willing to make further elaboration if required.

6. Assistant Secretary to CoP (AS/CoP) added that since its establishment, CoP had focused its work on four key areas, namely, reducing the risk of intergenerational poverty, assisting the working poor, addressing the needs of elderly persons in poverty and encouraging social enterprise development. The relevant poverty alleviation measures would also assist women in low income. AS/CoP said that in order not to duplicate efforts in poverty alleviation and prevention, CoP would not overlap areas of work which fell under the purview of a specific bureau/department.

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7. Mr LEE Cheuk-yan disagreed that CoP should not overlap its work priorities with other bureaux/departments, as CoP was tasked to focus on inter-departmental and inter-disciplinary issues and aimed to enhance policy coordination and integration.

8. Miss CHAN Yuen-han pointed out that in the absence of a policy coordinator, discussions relating to the review of the outdated Co-operative Societies Ordinance, the provision of a universal retirement scheme and the establishment of an intermediary body for collection of maintenance payments had dragged on for many years without any concrete progress. She said that as a high-level commission chaired by the Financial Secretary (FS), CoP had a cardinal role to play in taking forward the discussions and reviews, and to formulate anti-poverty measures.

9. Ms LI Fung-ying said that it was unfair to put all the responsibilities of poverty alleviation on CoP, as it was only a committee of advisory nature.

10. Ms Emily LAU was of the view that the problem of women in poverty should be addressed irrespective of whether it was one of CoP's key areas of work. She urged the Administration to take specific actions to alleviate the problem. Mr LEUNG Kwok-hung added that the problem of women in poverty should be studied from an individual, instead of family, perspective. The formation of a Family Commission could not address the specific needs of women.

11. Secy/CoP said that he would convey members' concern and views to FS and the relevant bureaux. Secy/CoP added that as the term of CoP was due to expire next year, CoP would submit its report to the Government in mid 2007 with a view to implementing short-term measures and making recommendations on the long-term policies on poverty alleviation and prevention.

Child care and after-school care services

12. Mr TAM Yiu-chung asked about the details of and the implementation timetable for launching a new day small group home service and extending the day foster care service.

13. PAS/HWF(W) responded that the two schemes were new initiatives announced in the 2006-2007 Policy Address to strengthen the support to families with young children in addressing their family or personal problems; the Social Welfare Department was working on the implementation details. The Administration would also strengthen the service provision of mutual help child care centres by providing financial incentives to operators and fee subsidy to families with financial need.

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- Admin 14. Mrs Selina CHOW noted that the Administration had increased the number of full fee waiving places for the After School Care Programme from 830 to 1 250 in 2005. She asked whether the Administration had studied if the increase in places was able to meet the full demand of the service. PAS/HWF(W) agreed to provide the relevant information after the meeting.

Comprehensive Social Security Assistance (CSSA) Scheme

Seven-year residence requirement

- Admin 15. Ms LI Fung-ying noted that the number of CSSA applications in which the Director of Social Welfare (DSW) had exercised discretion to waive the seven-year residence requirement increased in threefold from 230 in 2004-2005 to 843 in 2005-2006. In her view, this reflected the inadequacy of the CSSA Scheme. Ms LI asked for the number of cases within the 843 approved applications in 2005-2006, which were originally rejected in 2004-2005 but were subsequently approved after appeals.
- Admin 16. Principal Assistant Secretary for Health, Welfare and Food (Elderly Services and Social Security) (PAS/HWF(ES&SS)) responded that each case of application for exemption of the residence requirement for CSSA would be considered on its own merits, in consideration of the factors set out in paragraph 14 of the Administration's paper. As to Ms LI's enquiry, PAS/HWF(ES&SS) undertook to provide the figure after the meeting.
17. Mr LEE Cheuk-yan and Mr LEUNG Kwok-hung expressed grave concern about the financial hardship faced by new-arrival single mothers who had to rely on the CSSA payments received by their native born children for a living. They urged the Administration to review expeditiously the seven-year residence requirement under the CSSA Scheme.
18. Secy/CoP responded that the seven-year residence requirement under the CSSA Scheme was one of the recommendations set out in the Task Force on Population Report published in 2003. In fact, most developed countries imposed a similar condition on recipients of non-contributory welfare benefits to prevent an influx of immigrants. For new arrivals in genuine hardship, DSW could exercise discretion to waive the residence requirement for social security benefits on the own merits of each case.
- Review of arrangements for disregarded earnings*
19. Referring to paragraph 5.1(n) of the Subcommittee's Report, Mrs Selina CHOW said that while Members belonging to the Liberal Party had reservation about the recommendations to relax the seven-year residence requirement for the

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CSSA payments, they agreed with the proposal to increase the amount of disregarded earnings under the CSSA Scheme to provide incentives for the able-bodied CSSA recipients to work. In this regard, she enquired about the progress of the Administration's review of the arrangements for disregarded earnings under the CSSA Scheme.

20. PAS/HWF(ES&SS) responded that the Administration was currently undertaking the review, and it would report the outcome of the review to CoP in 2006-2007.

New Dawn Project

21. Mr TAM Yiu-chung said that of the 1 870 participants of the Intensive Employment Assistance Projects (IEAPs) provided by operating agencies of the New Dawn Project, only 9.1% of them found paid job entailing not less than 32 working hours per month. As the participation rate was on the low side, Mr TAM asked whether the Administration would set a target for participation so as to measure the effectiveness of the Project.

22. PAS(HWF)(ES&SS) responded that as the New Dawn Project was a pilot scheme which had been launched only for about five months, it was difficult to assess its effectiveness and set a target participation rate at that stage. He anticipated that the number of participants would increase. Nevertheless, the Administration would work closely with the operating agencies of the New Dawn Project to monitor progress and make improvements when necessary.

23. Mr LEUNG Yiu-chung pointed out that although the Administration regarded the initial result of the New Dawn Project encouraging, it had not provided information on the wage levels of those who found employment to support its analysis. To his knowledge, the wage levels of some jobs taken up by the participants were extremely low. Mr LEUNG was of the view that the effectiveness of the Project should be evaluated in terms of the participation rate and the income of participants. To assist the participants to move from welfare to self-reliance, the Administration should set a minimum wage for jobs offered under the Project.

24. Dr Fernando CHEUNG added that to his understanding, some 2 200 CSSA single parents/child carers chose to deduct \$200 from the single parent's monthly CSSA payments for declining to join the Project. The Administration should study the reasons which had attributed to the phenomenon. To facilitate members' understanding, Dr CHEUNG requested the Administration to provide information on the respective wage levels of participants who found jobs entailing 32 working hours or more per month and those working less than 32 hours per month respectively under the New Dawn Project. Mr LEUNG Yiu-chung made a similar request.

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25. PAS(HWF)(ES&SS) responded that wage disparity among the participants was understandable, having regard to the fact that some participants were taking up part-time jobs. The initial result of the New Dawn Project was encouraging, and he envisaged that its participation rate would increase. He stressed that as the trial Project had been launched for five months only and the participants joined the Project at different intervals, it might not be appropriate to assess the effectiveness of the Project at this moment. A comprehensive review would be conducted later when more information was available. PAS(HWF)(ES&SS) added that the Administration had commissioned a research team from the University of Hong Kong to conduct a study to evaluate the Project, which was targeted to be completed by June 2007. The Administration would provide members with the findings of the study.

26. Mr LEUNG Yiu-chung was strongly dissatisfied at the Administration for not providing the requisite information. He stressed that members did not ask for the review findings, but raw data that should be readily available. He considered it reasonable for the Subcommittee to evaluate the implementation of the Project at that stage given that it had been launched for nearly six months. Mr LEUNG strongly urged the Administration to accede to members' request and provide the relevant information as soon as possible. PAS(HWF)(ES&SS) undertook to revert to the Subcommittee on the availability of the figures.

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Universal retirement protection

27. Noting that the Administration had commissioned a consultancy study on the financial sustainability of the existing three pillars of retirement protection, Mr TAM Yiu-chung asked about the progress of the study and its expected completion date as the study had commenced in 2004. Mr LEE Cheuk-yan and Ms CHAN Yuen-han held a similar view that the release of findings of the consultancy study was long overdue. They urged the Administration to expedite the study and make public the study findings as early as possible.

28. PAS(HWF)(ES&SS) responded that the study on the sustainability of the existing three pillars of retirement protection was making progress. He was unable to provide the timetable of the study but assured members that the Administration would keep members abreast of the development.

29. Mr LEUNG Kwok-hung held the view that consideration should be given to adopting the universal retirement scheme proposed by the Joint Alliance for Universal Retirement Protection, with a view to better providing retirement protection to home-makers and low-income women. He urged the Government to give a concrete response to the strong calls from the community for a universal retirement scheme.

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Development of Social Enterprises (SEs)

30. Ms LI Fung-ying welcomed the Administration's initiatives to promote the development of SEs and hoped that the implementation of these initiatives, in particular the review of the Co-operative Societies Ordinance and taking measures to further facilitate SEs to bid for the Government's service contracts, could be expedited. In this regard, Ms LI asked about the concrete measures and timetable for taking forward these initiatives.

31. Secy/CoP said that CoP was launching a series of initiatives to promote the development of SEs. This included further facilitating SEs to bid for Government service contracts, which would not involve major policy changes or legislative amendments, and nurturing social entrepreneurs. CoP was actively working on the implementation details with the relevant bureaux and departments, and a pilot scheme would be launched possibly in one or two selected Government departments. Secy/CoP further said that as co-operatives were one form of SEs, the Administration would examine whether amending the Co-operative Societies Ordinance was the best way forward, or if amendments to the Companies Ordinance was more appropriate so as to establish a new legal form like the Community Interest Companies (CIC) in the United Kingdom (UK).

32. The Chairman noted that with funding support from the CIIF and the "Enhancing Self-Reliance Through District Partnership Programme", some SEs were established and operated in the form of co-operatives, an example being the "Sunny Community in Tung Chung" project. He was concerned that in the event that a new legal form of SEs like CIC was introduced, the operation of existing co-operatives would come to a halt for not being able to meet the new legal and operational requirements. Hence, the Administration's study should include measures to facilitate the existing co-operatives to transform into the new legal form of SEs. The Chairman added that while awaiting the outcome of the study, the Administration should step up efforts to assist the existing co-operatives to sustain, such as the provision of rent concessions for premises under the management of the Housing Authority.

33. The Chairman then enquired about the progress of the "Enhancing Self-Reliance Through District Partnership Programme", including the number of applications approved, the amount of funding granted, the business types of projects endorsed and the estimated number of jobs created by these projects. AS/CoP responded that an update of the progress of the Programme would be submitted to CoP at its meeting on 20 November 2006. She would provide the relevant CoP paper to the Subcommittee for reference.

CoP
Secretariat

34. Mr James TIEN said that although the legal framework for the establishment of CIC was introduced in the UK lately, the concept of CIC was

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CoP
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not something new. The Administration should pay specific attention to the background for introducing such a legal form in the UK when studying the viability of adopting similar arrangements in Hong Kong. Mr TIEN considered it useful for CoP to provide members with the relevant information on the background and the purpose for introducing the legislation on CIC in the UK as well as the advantages in the development of SEs. Secy/CoP agreed to provide the CoP's discussion paper on the UK's experience relating to the introduction of legislation on CIC.

35. Ms Emily LAU said that to promote the development of SEs, reference could also be made to the provision of micro-credit by the Grameen Bank as an anti-poverty measure in Bangladesh, which was awarded with the 2006 Nobel Peace Prize. She was disappointed at the slow progress made by the Administration in fostering the development of SEs and asked about the concrete timetable for the review of the Government's procurement policies and the provision of social entrepreneurial training. Ms LAU was concerned about the time needed to establish a new legal form of SEs if amendments to the Companies Ordinance were required, as this would be a large-scale exercise with financial and time implications.

36. Responding to members' concern, Secy/CoP said that the review of the need to establish a new legal form like CIC in the UK and amend the Co-operative Societies Ordinance would be conducted in parallel. CoP would set out the concrete recommendations to promote the development of SEs in its report to be released in mid 2007. The legislative amendments to the Companies Ordinance would be taken up by the Financial Services and the Treasury Bureau. Secy/CoP further said that CoP's report would also include the review findings and recommendations in respect of Government's procurement policies and the provision of social entrepreneurial training. He expected that some of the support measures would be implemented 12 to 18 months after release of the report. In the meantime, CoP was discussing with the relevant departments means to enhance support for SEs.

37. Miss CHAN Yuen-han said that FS had stated in his last Budget that the Government would provide further assistance in the development of SEs in Hong Kong. The community organisations had high expectation that these measures would assist in the development of SEs and facilitate them to bid for the Government's service contracts. She was disappointed that these measures would only be launched 12 to 18 months after CoP had promulgated its report in mid 2007.

38. Secy/CoP advised that the Administration had met some NGOs to understand their difficulties and concern in establishing SEs and running business. He reiterated that as CoP was studying the best way to take forward the development of SEs, it would propose concrete measures in the report to be

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promulgated in mid 2007.

Transport subsidy scheme

39. Dr Fernando CHEUNG considered it unacceptable that no progress had been made in launching the transport subsidy scheme as undertaken by FS in the 2006-2007 Budget, given that more than six months had lapsed after the Budget was approved. He enquired about the concrete implementation timetable of the scheme and the difficulties encountered, if any, in implementing the scheme.

40. The Chairman pointed out that some Members had expressed support for the 2006-2007 Budget on the understanding that a longer-term travelling support would be provided to low-income employees living in remote districts. As such, the Administration should honour its commitment in providing the transport subsidy. He pointed out that if the launch of the transport subsidy scheme was further delayed, the actual amount allocated for the scheme would be less than what FS had earmarked in the Budget.

41. Secy/CoP responded that the provision of longer-term travelling support for low-income employees living in remote districts was one of the work priorities of CoP. CoP had been discussing with the relevant bureaux and departments the possible options for implementing a transport support trial scheme as early as possible while guarding against possible abuse.

42. Mr LEUNG Kwok-hung said that prior to promulgating the provision of a longer-term travelling support for low-income employees by FS in the 2006-2007 Budget, the Administration should have fully deliberated on the operational details of the scheme. He saw no reasons why the Administration still had to spend more than six months to devise the mechanism for implementing the scheme.

43. Mr LEE Cheuk-yan said that if the longer-term travelling support was to be provided within the current financial year as scheduled, the Administration should have come up with the implementation details by December 2006. He urged the Administration to provide the Subcommittee with the implementation plan by the end of December 2006.

44. Secy/CoP reiterated that while CoP would try its best to meet the target implementation date, it had to devise a viable and cost-effective mechanism for implementing the scheme.

Equal development for both sexes

45. Referring to paragraph 29 of the Administration's paper, the Chairman sought more information about the setting up of a core group of designated

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Gender Focal Points in Government bureaux and departments as a measure to promote gender mainstreaming in the Government, and asked whether evaluation had been carried out to assess its effectiveness.

46. Noting that the Government had applied the Gender Mainstreaming Checklist in 19 policy or programme areas, Dr Fernando CHEUNG asked about the concrete improvements made in these policy or programme areas and whether the Administration would apply the use of the Checklist to other policy or programme areas.

47. PAS/HWF(W) explained that according to the Women's Commission (WoC)'s strategy, all bureaux and departments were requested to designate a senior officer as the Gender Focal Point within their organisations with a view to forming a Gender Focal Point Network. These officers, being mainly directorate officers, would serve as the liaison persons on gender-related issues within the bureau/department concerned. To further promote gender mainstreaming within the Government, a core group of designated Gender Focal Points was established in 2005. It was tasked to formulate a plan or strategy to encourage bureaux and departments to proactively apply the Gender Mainstreaming Checklist and explore additional policy or programme areas to undergo gender mainstreaming. PAS/HWF(W) added that WoC had published a booklet in January 2006 which gave an account of the Government's experience in applying gender mainstreaming. The Government would continue to gradually roll out the use of the Checklist to different policy and programme areas. A review of the effectiveness of the Checklist would be conducted in two to three years' time.

48. Ms Emily LAU asked, as the 25% gender benchmark for appointments to public sector advisory and statutory bodies had been achieved, whether consideration would be given to further raising the benchmark to a higher level of, say 40%.

49. Principal Assistant Secretary for Home Affairs (4) (PAS(HA)4) responded that since the target of 25% women participation had just been reached, the Administration considered it premature to raise it to a higher level at that stage, without examining the implications and practicability of the proposal. He pointed out that of some 14 000 potential candidates who had provided their curriculum vitae to the Central Personality Index (CPI) maintained by the Home Affairs Bureau for appointments to public sector advisory and statutory bodies, only 3 400 plus were women, hence creating difficulties in making nominations of women candidates for consideration of the appointing authorities. The Administration would step up effort to encourage more women to contribute their curriculum vitae to the CPI.

50. With a view to reaching out to more women to participate in the work of

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public sector advisory and statutory bodies, the Chairman and Ms Emily LAU suggested that the Administration should enhance publicity and invite political parties to make nominations to the CPI. PAS(HA)4 agreed to consider.

Enforcement of maintenance orders

51. Dr Fernando CHEUNG disagreed with the justifications provided in the Administration's paper [LC Paper No. CB(2)250/06-07(02)] for not setting up a maintenance board. He said that owing to the complicated legal proceedings to recover arrears, 96% of the single parent families receiving CSSA chose to receive nominal maintenance of \$1 from the maintenance payer or nil maintenance in order to be eligible for receiving CSSA payments. He remained of the view that the Administration should consider establishing an intermediary body for the collection and enforcement of maintenance payments.

II. Any other business

Work plan of the Subcommittee

[LC Paper No. CB(2)2727/05-06(04)]

52. The Chairman said that the Subcommittee would commence the study on the subject of elderly in poverty at the next meeting, and deputations would be invited to give their views on the subject matter. The Legislative Council (LegCo) Secretariat would prepare a draft report incorporating the views and suggestions made by members and deputations after the meeting. Further meetings would be scheduled to discuss with CoP and the Administration the implementation of recommendations in the Subcommittee's Report. The study would take about three months to complete.

53. Regarding new topics proposed for study, the Chairman said that the LegCo Secretariat had not received any suggestions from members. The Chairman further said that the development of SEs was worthy of study, as it had become an increasingly important anti-poverty measure in different places. He therefore proposed to study the development of SEs in helping the disadvantaged after completing the study on elderly in poverty.

54. Ms LI Fung-ying considered that the Subcommittee would need to follow up with the Administration the progress made in implementing the Subcommittee's recommendations. As such, it might not be appropriate for the Subcommittee to start new topics for study.

55. Dr Fernando CHEUNG agreed with the Chairman's suggestion. He said that as CoP was reviewing the Co-operative Societies Ordinance, it would be the opportune time for the Subcommittee to commence a study on the development

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of SEs. Dr CHEUNG also suggested that the Subcommittee should discuss with CoP the proposal for a Child Development Fund at a future meeting.

56. In summing up, the Chairman said that the Subcommittee would discuss the development of SEs after completing the study on the subject of elderly in poverty. The Subcommittee would then discuss the strategies to follow up with the Administration the progress made in implementing specific recommendations made by the Subcommittee. Members agreed. The Chairman added that a future meeting would be scheduled to discuss with CoP the proposal regarding the Child Development Fund.

57. There being no other business, the meeting end at 6:50 pm.

Council Business Division 2
Legislative Council Secretariat
8 January 2007