

**立法會**  
**Legislative Council**

LC Paper No. CB(2)1162/07-08  
(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 Tuesday, 11 December 2007, at 9:00 am**  
**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 Margaret NG  
Hon LEUNG Yiu-chung  
Hon Emily LAU Wai-hing, JP  
Hon TAM Yiu-chung, GBS, JP  
Hon Abraham SHEK Lai-him, SBS, 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

**Members absent** : Hon LEE Cheuk-yan  
Hon Mrs Selina CHOW LIANG Shuk-ye, GBS, JP  
Hon CHAN Yuen-han, SBS, JP

**Public Officers attending** : Item II  
Item III (in attendance)

Mr Anthony LI  
Principal Assistant Secretary for Home Affairs (3)

Ms Margaret HSIA  
Assistant Director of Home Affairs (2)

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

**Staff in attendance** : Item III

Mr Watson CHAN  
Head, Research and Library Services Division

Mr Thomas WONG  
Research Officer 4

All items

Mr Chris LAI  
Senior Council Secretary (2) 7

Miss Maggie CHIU  
Legislative Assistant (2) 4

Action

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**I. Confirmation of minutes**  
[LC Paper No. CB(2)487/07-08]

The minutes of the meeting held on 8 November 2007 were confirmed.

**II. Summit on social enterprises**  
[LC Paper Nos. CB(2)497/07-08(01) and (02)]

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

3. Members were briefed on the preparation for the Summit on Social Enterprise (SE) to be held on 20 December 2007. The Chairman, Dr Fernando CHEUNG, Ms LI Fung-ying, Mr LEUNG Yiu-chung, Mr Alan LEONG and Mr LEUNG Kwok-hung expressed disappointment at the experience sharing nature of the Summit. They took the view that the subject of SE development had been discussed at length on various occasions since the formation of the Commission on Poverty. Two motions on the subject were passed by the Legislative Council (LegCo). Against this background, members considered that instead of collecting views on how to foster the development of SE during the Summit, the

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Administration should have put forward some proposals for discussion, for example, whether it planned to establish a legal framework for SE and provide tax concession for SEs.

4. Principal Assistant Secretary for Home Affairs (3) (PAS/HA(3)) responded that the Summit on SE aimed to promote understanding of SE and provide a platform for the Government, the business sector, academics and non-governmental organisations to explore the way forward for further development of SE in Hong Kong. Two overseas social entrepreneurs would be invited to give keynote speeches at the Summit, and the Administration hoped that the public and social entrepreneurs in Hong Kong would benefit from the experience of overseas speakers in promoting the SE development and nurturing social entrepreneurs. PAS/HA(3) added that to foster closer collaboration of stakeholders in different sectors and solicit their views on ways to facilitate the development of SE, participants from different sectors would be invited to participate in the breakout sessions which would be held after the delivery of keynote speeches.

5. While members supported the policy initiative to promote SE development, most members expressed disappointment that the Administration had yet to formulate concrete measures to promote the development of SE. These members also expressed reservations about the effectiveness of the Summit in collecting views on how to further develop SE given that limited time was allowed for discussion during the half-day programme. They strongly urged the Administration to draw up specific policies and concrete measures to foster the development of SE.

6. PAS/HA(3) said that the Administration agreed with the need for creating an enabling market environment for the development of SE. It was committed and would continue with its efforts to encourage the further development of SE jointly with the relevant stakeholders, with a view to enhancing the employability of and creating more job opportunities for the disadvantaged. Apart from providing seed money in a number of specified areas (such as the Enhancing Self-Reliance Through District Partnership Programme launched by the Home Affairs Department) to support SEs during their initial operations, the Administration was promoting actively the understanding of SE among the public.

7. Mr James TIEN drew members' attention to the fact that the business sector was concerned that SE might pose unfair competition to the small and medium enterprises, if SEs were promoted or supported by the Government. To alleviate the concern, the Administration should state clearly the social objectives and operations of SE and, in particular, distinguish the social objectives of SE from the concept of corporate social responsibility.

Action

8. PAS(HA)3 said that while there was no common definition of SE in Hong Kong, SE was generally regarded as a business with primarily social objectives instead for maximizing profits. A SE should be able to operate on a self-financing basis in accordance with commercial principles and reinvest most of its profits to achieve its social objectives.

Admin

9. PAS/HA(3) advised that the Administration would formulate an action plan on the further development of SE taking into account the experience and views highlighted during the Summit. Dr Fernando CHEUNG requested the Administration to provide the Subcommittee with the action plan, when available.

**III. Research report on social enterprise policies of the United Kingdom, Spain and Hong Kong**  
[LC Paper No. RP03/07-08]

10. Members noted the research report on SE policies in the United Kingdom (UK), Spain and Hong Kong prepared by the Research and Library Services Division (RLSD) of the LegCo Secretariat.

RLSD

11. Members requested RLSD of the LegCo Secretariat to provide the following information on SEs in UK and Spain –

- (a) the objectives and social responsibilities of SEs in these two countries;
- (b) the roles of the UK and Spanish Governments in promoting and supporting the development of SE, e.g. public expenditure on SE;
- (c) whether both Governments provided support for SEs to bid public procurement contracts and offered tax concessions to SEs;
- (d) the employment conditions for SE employees in UK and Spain, and whether they were on a par with those for employees in the private sector; and
- (e) the common factors attributing to the proliferation of SEs in these two countries.

12. The Chairman added that reference could be made to the observations in the report on the duty visit to study the experience of the development of SE in UK and Spain wherever appropriate.

Action

13. The Subcommittee expressed gratitude for the dedicated work of the late Mr LI Chi-fai, Simon, Research Officer of RLSD of the LegCo Secretariat, who had provided useful information and reference materials for the research report.

**IV. Any other business**

14. The Chairman said that a draft report on development of SE would be prepared by the LegCo Secretariat incorporating members' views and suggestions on the subject. The Subcommittee would discuss the draft report at the next meeting to be scheduled for late January 2008. To facilitate the preparation of the draft report, the Chairman requested members to forward any views to the LegCo Secretariat about one week before the next meeting.

*(Post-meeting note : The next meeting of the Subcommittee would be held on 31 January 2008 at 2:30 pm.)*

15. There being no other business, the meeting ended at 11:00 am.

Council Business Division 2  
Legislative Council Secretariat  
25 February 2008

**Proceedings of the meeting of the  
Subcommittee to Study the Subject of Combating Poverty  
on Tuesday, 11 December 2007, at 9:00 am  
in Conference Room A of the Legislative Council Building**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda Item I – Confirmation of meeting minutes</i>			
000000 - 000147	Chairman	Confirmation of the minutes of the meeting held on 8 November 2007	
<i>Agenda Item II – Summit on social enterprises</i>			
000148 - 000652	Chairman Admin	Briefing by the Administration on the preparation for the Summit on Social Enterprise (SE) to be held on 20 December 2007	
000653 - 001643	Dr Fernando CHEUNG Admin	<p>The views of Dr Fernando CHEUNG that –</p> <ul style="list-style-type: none"> <li>(a) there was a urgent need for formulating a comprehensive policy on SE development in Hong Kong (HK);</li> <li>(b) the Summit on SE failed to meet the public expectation, as the Administration had yet to come up with a concrete action plan for SE development for discussion at the Summit; and</li> <li>(c) the Administration should come up with a concrete action plan and a timetable for SE development after the Summit</li> </ul> <p>The Administration's response that –</p> <ul style="list-style-type: none"> <li>(a) the Government was committed and would continue with its efforts to further facilitating SE development; and</li> <li>(b) an action plan on further development of SE would be formulated after taking into account the views received during the Summit and consulting the relevant bureaux concerned</li> </ul>	<b>Admin to provide the action plan, when available</b>
001644 - 002330	Ms LI Fung-ying Admin	<p>The views of Ms LI Fung-ying that the Government should –</p> <ul style="list-style-type: none"> <li>(a) take an active role in formulating concrete actions to promote SE development;</li> <li>(b) make reference to the experience of similar projects, such as the Community Investment and Inclusion Fund (CIIF), and draw up specific measures to promote SE development; and</li> <li>(c) introduce concrete measures to facilitate SE development after the Summit</li> </ul> <p>The Administration's response that –</p> <ul style="list-style-type: none"> <li>(a) the Summit on SE would provide a platform for</li> </ul>	

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		<p>exchange of views and experience on SE development; and</p> <p>(b) it would create an enabling environment for SEs, facilitate cross-sectoral partnership in SE development, and promote understanding of SE</p>	
002331 - 003052	Mr LEUNG Yiu-chung Admin Chairman	<p>Mr LEUNG Yiu-chung's concern about –</p> <p>(a) the Government's reluctance to formulate a long-term policy on SE development; and</p> <p>(b) the effectiveness of the Summit, having regard to the limited discussion time and the absence of a blueprint for SE development</p> <p>The Administration's elaboration on the objective and programme of the Summit and the way forward afterwards.</p>	
003053 - 003716	Mr Alan LEONG Admin Chairman	<p>The views of Mr Alan LEONG that –</p> <p>(a) it was the Government's responsibility to take the lead in promoting SE development;</p> <p>(b) given that lengthy discussion on SE development had been held, the Administration should state its position on SE development during the Summit to facilitate discussion and exchange of views with the participants; and</p> <p>(c) the Government should set out a specific action plan after the Summit</p> <p>The Administration's advice that it would formulate an action plan on the further development of SE having regard to the views highlighted during the Summit and the advice of the relevant bureaux/departments</p>	
003717 - 004345	Mr LEUNG Kwok-hung Admin	<p>Views of Mr LEUNG Kwok-hung that –</p> <p>(a) the Government should have come up with a concrete action plan for discussion at the Summit on SE; and</p> <p>(b) the launch of seed money projects such as CIIF, was intended to serve other purposes and should not be regarded as one of the Administration's measures to promote SE development</p>	
004346 - 004638	Mr TAM Yiu-chung Admin	<p>Discussion on the views of Mr TAM Yiu-chung that –</p> <p>(a) the Summit on SE could promote understanding and awareness of SE in the business sector and enhance the latter's support for SE development; and</p> <p>(b) the Administration should follow up on the views solicited in the Summit, and come up with concrete measures to foster SE development</p>	

Time marker	Speaker(s)	Subject(s)	Action required
004639 - 005200	Chairman Admin	<p>The Chairman's disappointment at the experience sharing nature of the Summit on SE which fell far short of honouring the Chief Executive's pledge made during his election platform</p> <p>The Administration's response that it would take forward the recommendations and work of the Commission on Poverty to further foster SE development</p>	
005201 - 005534	Dr Fernando CHEUNG Admin Chairman	Views of Dr Fernando CHEUNG that the actions to be taken by the Administration to promote SE had already been carried out by some non-governmental organizations. Therefore, the Administration's priority of work was to formulate concrete action plan and timetable for further facilitating SE development	
005535 - 010147	Mr LEUNG Kwok-hung Admin Chairman	Views of Mr LEUNG Kwok-hung that the Administration should expedite its work to foster the development of SE	
010148 - 010713	Mr Abraham SHEK Admin	<p>The views of Mr Abraham SHEK that –</p> <p>(a) it was the Administration's responsibility to enhance public understanding of the objectives and operations of SEs; and</p> <p>(b) development of SE was only one of the means to address the problem of income disparity</p> <p>The Administration's response that –</p> <p>(a) it was launching a series of publicity to enhance the public awareness of SE, including the preparation of a booklet on the successful experience of local and overseas SEs; and</p> <p>(b) the Government was committed to taking poverty alleviation measures and promoting a caring society</p>	
<i>Agenda Item III – Research report on social enterprise policies of the United Kingdom, Spain and Hong Kong</i>			
010714 - 011804	Chairman H(RL)	Presentation of the research report on SE policies of the United Kingdom (UK), Spain and HK prepared by the Research and Library Services Division (RLSD) of the LegCo Secretariat	
011805 - 012346	Mr James TIEN H(RL)	<p>Views of Mr James TIEN that having regard to the concern raised by the business sector, the Administration should provide a clear definition of SE and distinguish the social objective of SE from the concept of corporate social responsibility in taking forward SE development</p> <p>Mr James TIEN's enquiry about the requisite experience of operating SEs in UK and Spain and their respective scale of businesses</p> <p>H(RL)'s advice that –</p> <p>(a) the UK Government had provided a definition of SE,</p>	



Time marker	Speaker(s)	Subject(s)	Action required
		<p>but there were no definition of SE in Spain and HK; and</p> <p>(b) SE operators in UK and Spain were not required to possess requisite experience in operating business, and most SEs in UK and Spain were small-scale business</p>	
012347 - 012903	Mr Abraham SHEK H(RL) Chairman	Mr Abraham SHEK's request for additional information on the annual public expenditure on SE and the administrative measures (e.g. tax concessions) taken to facilitate SE development in UK and Spain	<b>RLSD</b>
012904 - 013303	Ms LI Fung-ying H(RL) Chairman	<p>The suggestions of Ms LI Fung-ying that the research report should include the following supplementary information –</p> <p>(a) public expenditure on SE and measures adopted to facilitate SE development in UK and Spain, such as the procurement policies and whether tax concessions were offered to SEs; and</p> <p>(b) the employment terms for SE employees in UK and Spain, and whether they were on a par with those employees in the business sector</p> <p>H(RL)'s response that the local authorities in UK would encourage SEs to bid for public contracts by adding some conditions in the tender taking into account the added value that SE might bring to the community, e.g. providing training to the unemployed</p>	<b>RLSD</b>
013304 - 013743	Dr Fernando CHEUNG Chairman	The suggestion of Dr Fernando CHEUNG that the Subcommittee should consolidate the findings of the research report and overseas duty visit, and come up with recommendations on SE development for the Administration's consideration	
013744 - 014307	Mr LEUNG Kwok-hung Chairman	The views of Mr LEUNG Kwok-hung that the Government should demonstrate its commitment and take the lead in further promoting SE development in HK	
014308 - 014635	Mr LEUNG Yiu-chung H(RL)	The suggestion of Mr LEUNG Yiu-chung that the research report should highlight the common factors attributed to the success of SE development in UK and Spain	<b>RLSD</b>
014636 - 014854	Chairman H(RL)	<p>Suggestions of the Chairman that the research report should provide further information on –</p> <p>(a) the roles and participation of the UK and Spanish Governments in SE development;</p> <p>(b) the social objectives and responsibilities of SEs in UK and Spain; and</p> <p>(c) the employment conditions for SE employees in UK and Spain</p>	<b>RLSD</b>
014855 - 015228	Mr James TIEN H(RL)	The suggestion of Mr James TIEN that taking into account the concern expressed by small and medium enterprises that SE might pose unfair competition to them, consideration be	<b>RLSD</b>

<b>Time marker</b>	<b>Speaker(s)</b>	<b>Subject(s)</b>	<b>Action required</b>
		given to providing examples in the research report to illustrate the measures taken by the UK and Spanish Governments to provide an enabling environment for the development of SE as far as practical	
015229 - 015430	Mr LEUNG Kwok-hung Chairman	The views of Mr LEUNG Kwok-hung that it was vital important for the Government to take the lead in fostering SE development	
<i>Agenda Item IV – Any other business</i>			
015431 - 020009	Chairman Mr LEUNG Kwok-hung	Date of next meeting	

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