

For information
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**Legislative Council Subcommittee
to Study the Subject of Combating Poverty**

**Progress Report on the Implementation
of the Pilot Transport Support Scheme**

Purpose

This paper updates Members on the latest position of implementation of the pilot Transport Support Scheme (TSS).

Background

2. The essence of the Government's strategy for poverty alleviation is to help those with working ability to move from welfare to self-reliance through promoting employment. Recognising the relative lack of local employment opportunities in some remote districts and transport costs may become a disincentive for needy unemployed persons and low-income employees living in these districts to work across districts, the Government accepted the recommendation of the Commission on Poverty (CoP) and introduced a one-year pilot TSS (the pilot Scheme) to provide additional incentives in encouraging the needy to find jobs and work across districts.

3. At its meeting on 27 April 2007, the Finance Committee of the Legislative Council approved a commitment of \$365 million to implement a one-year pilot Scheme as outlined in the Finance Committee paper ref. FCR(2007-08)6 submitted by the Secretary to the CoP. A review was also committed to be conducted at the end of the one-year pilot.

Scheme Contents

4. The Labour Department (LD) launched the pilot Scheme on 25 June this year to provide time-limited transport allowances to needy unemployed and low-income employees living in Yuen Long, Tuen Mun, North and Islands districts. Under the Scheme, two types of allowances are made available to eligible applicants, viz, Job Search Allowance (up to \$600) and Cross-district Transport Allowance (\$600 per month for up to 6 months, i.e. a total of \$3,600). These allowances are not meant to cover all the transport costs incurred in seeking jobs and working across districts, but to provide an incentive to needy applicants to find jobs and work across districts.

(i) Job Search Allowance

5. Eligible applicants can claim the Job Search Allowance on a reimbursement basis within one year from the approval date of their applications by submitting duly completed records on job searches and transport costs involved.

6. Eligible job seekers refer to those who are –

- (a) lawfully employable and actively seeking employment. They should declare their intention of seeking employment for 72 hours or more a month; and
- (b) meeting a personal asset limit requirement of no more than \$44,000.

In addition to unemployed persons, the allowance is also payable to individuals who meet the above criteria but have a monthly income¹ of no more than \$5,600 and wish to change jobs. However, those receiving full-time education or training are not eligible.

¹ Monthly income refers to total incomes from all jobs (including those within or across districts) in a month. Employee's contribution to the Mandatory Provident Fund is not included.

(ii) Cross-district² Transport Allowance

7. As in the case of Job Search Allowance, eligible applicants can claim the Cross-district Transport Allowance within a one-year period from the approval date of their applications by submitting documentary proof or self-declarations on their employment details.

8. Eligible applicants are required to fulfil the following criteria –

- (a) working across districts for 72 hours or more a month (i.e. an average of 18 hours or more a week);
- (b) earning a monthly income of \$5,600 or less; and
- (c) meeting a personal asset limit requirement of no more than \$44,000.

The self-employed and those in full-time education or training are not eligible for the allowance.

Implementation

9. A Transport Support Scheme Office is established under LD to oversee the implementation of the Scheme. To provide convenient and efficient service to applicants, ten non-government organisations (a list at Appendix 1) with experience in delivering training/employment assistance and providing a network of 25 service centres are engaged to assist in the implementation of the Scheme, including assessing the applicants' eligibility, checking documentary proof, approving applications and disbursing allowances.

Updated Progress

10. As at end-October this year, LD recorded 4 710 persons applying for assessment of eligibility under the pilot Scheme, out of whom 4 337 were admitted into the Scheme, 91 refused and 282 persons' applications under processing. Out of 4 337 applicants admitted into the Scheme,

² Demarcated in accordance with the District Council electoral boundary.

2 542 already submitted claims and were approved for allowances involving a total payout of about \$2.86 million (breakdowns on approved amounts by districts set out in Appendix 2).

Publicity and Promotion

11. To enhance eligible residents' understanding of TSS and its arrangements, LD has launched a series of publicity and promotional activities, including radio broadcasts, bus-body advertising, newspaper advertisements, publicity leaflets, posters, dedicated website and display of wall/street banners in the four designated districts. LD will continue to strengthen the publicity efforts in promoting TSS through diversified activities such as job fairs and street exhibitions.

Way Forward

12. The pilot Scheme has been launched for slightly more than four months and is scheduled to be reviewed in mid 2008. In view of concerns over its implementation, we will step up publicity in the coming three months. We will also 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 the community including Members of the Legislative Council.

*Labour and Welfare Bureau
Labour Department
November 2007*

Transport Support Scheme
List of Non-government Organisations (NGOs)

NGO	District(s) served	No. of Service Centres
1. Hong Kong Employment Development Service Limited	Yuen Long	1
2. Hong Kong Sheng Kung Hui Welfare Council	Yuen Long, Tuen Mun, Islands	3
3. Hong Kong Young Women's Christian Association	Yuen Long, Tuen Mun	2
4. International Social Service Hong Kong Branch	Yuen Long	1
5. New Territories Association Retraining Centre Limited	Yuen Long, Tuen Mun, North	4
6. The Evangelical Lutheran Church of Hong Kong	Yuen Long, Tuen Mun, North	3
7. The Federation of Hong Kong and Kowloon Labour Unions	Tuen Mun	1
8. The Hong Kong Confederation of Trade Unions	Yuen Long	2
9. The Hong Kong Federation of Trade Unions	Yuen Long, Tuen Mun, North, Islands	6
10. Yan Oi Tong	Tuen Mun	2
Total		25

Transport Support Scheme

Breakdown on Approved Amounts by Districts (as at 31 October 2007)

District	No. of applicants admitted into the Scheme	No. of applicants approved for transport allowances	Amount of claims approved (\$)
Yuen Long	1 892	1 080	1,236,018.40
Tuen Mun	1 517	952	1,092,953.60
North	581	297	290,409.50
Islands	347	213	240,722.60
Total	4 337	2 542	2,860,104.10