

**For information
on 19 July 2006**

LEGCO PANEL ON WELFARE SERVICES

Subcommittee on Review of the Comprehensive Social Security Assistance Scheme

Seven-year residence requirement under the Comprehensive Social Security Assistance Scheme

PURPOSE

This paper provides information on the residence requirement under the Comprehensive Social Security Assistance (CSSA) Scheme.

BACKGROUND

2. Before 2004, a person must have resided in Hong Kong for at least one year in order to be eligible for CSSA. Since 1 January 2004, one has to meet the seven-year residence rule to become eligible for non-contributory social security benefits that are heavily subsidized by public funds. This policy change followed the acceptance of one of the recommendations of the Task Force on Population Policy Report published in February 2003. It was approved by the Executive Council in June 2003 and endorsed by the Finance Committee of this Council in June 2003. Before changing the residence requirement under the CSSA Scheme, the Administration had consulted the public, this Council, advisory committees concerned, and chairmen and deputy chairmen of District Councils.

3. The CSSA Scheme is financed entirely from general revenue. A seven-year residence is normally required for the grant of permanent resident status in Hong Kong, for which additional rights, including the right to vote and to stand for election, are prescribed in the laws of Hong Kong. Indeed, most developed countries impose residence requirement as a condition for the receipt of non-contributory welfare benefits. This requirement provides a rational

basis on which our public resources are allocated and helps to sustain a non-contributory social security system with increasing demand. This requirement also aims to encourage new arrivals who can work to be self-reliant rather than relying on welfare assistance. It underlies the need for potential immigrants to plan carefully and ensure that they have sufficient means to be self-supporting before settling in Hong Kong.

EXEMPTION AND DISCRETION

4. The seven-year residence requirement under the CSSA Scheme does not apply to persons having acquired Hong Kong resident status before 1 January 2004. Children aged below 18 are also exempted from any prior residence requirement. This represents a relaxation of the past policy, when minors were also subject to the one-year residence rule. For adult applicants, in exceptional circumstances, the Director of Social Welfare (DSW) can exercise discretion to grant CSSA to a person who does not meet the seven-year residence requirement.

OPERATION OF DISCRETION

5. To determine whether discretion should be exercised, DSW will take into account all relevant factors of the case to establish whether there is genuine hardship. Each case is considered on its own merits. The main factors considered include:

- (a) the applicant's means of livelihood since arrival;
- (b) the cause of present hardship;
- (c) resources available and other possible private sources of help in Hong Kong;
- (d) whether other forms of assistance from the public sectors or charitable bodies are available; and
- (e) the possibility of the applicant returning to his/her place of origin.

6. When a CSSA application involving any person not meeting the seven-year residence requirement is received by a Social Security Field Unit of the Social Welfare Department (SWD), the caseworker will explain to the applicant, among other things, DSW's discretionary power to waive the

seven-year residence requirement for genuine hardship case. It has been the standard practice since October 2004 to give a copy of the pamphlet on residence requirements for CSSA to each and every CSSA applicant who does not meet the seven-year residence requirement. The pamphlet explains the residence requirements for CSSA and sets out the main factors that SWD will take into consideration in exercising discretion.

7. Whether an application is approved or rejected, the applicant will be informed in writing of the result of his application as well as his right to lodge an appeal with the Social Security Appeal Board (SSAB) if he is not satisfied with the decision made by the SWD. The SSAB is an independent body whose members are all non-officials appointed by the Chief Executive.

OTHER FORMS OF ASSISTANCE

8. Where there are proven needs and in accordance with respective eligibility criteria, other forms of assistance are available to new arrivals irrespective of their length of residence in Hong Kong. These include employment support services, emergency relief, temporary grants from charitable trust funds to tide over special and emergency situations, medical waiver, child care services, assistance in kind and placements at singleton hostels.

9. There are four major charitable trust funds, namely, Tang Shiu Kin & Ho Tim Charitable Fund, Li Po Chun Charitable Trust Fund, Brewin Trust Fund and Kwan Fong Trust Fund for the Needy, administered by SWD and with applications handled by the service units of SWD and some subvented non-governmental organizations (NGOs). Where appropriate, these trust funds will be tapped to assist people in family crisis and temporary financial hardship, mainly in the form of one-off cash grants.

LATEST DEVELOPMENT AND TREND

10. The table below sets out the number of applications received, approved and rejected in 2004/05 and 2005/06, by SWD involving persons aged 18 or above who were admitted into Hong Kong on or after 1 January 2004 and therefore unable to meet the seven-year residence requirement:

	2004/05	2005/06
No. of CSSA applications involving people who did not meet the seven-year residence requirement	1 665	3 856
No. of applications approved with discretion	230	843
No. of applications rejected	18	26
No. of applications withdrawn	1 299	2 892

The main reasons for approving the applications with discretion are as follows:

(a) in recognition of the new arrival's efforts to become self-reliant through securing employment (though his/her monthly income might not be sufficient to meet the basic needs of the family);

(b) financial hardship caused by family problems or on social grounds, for example,

family problems

- death or imprisonment of the breadwinner;
- new arrival who is victim of abuse by his/her spouse and who has no other resources; and

social grounds

- new arrivals who are old, disabled or in ill-health and with no other resource.

11. Members are invited to note the contents of the paper.

Health, Welfare and Food Bureau
Social Welfare Department
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