

立法會
Legislative Council

LC Paper No. CB(2)2493/08-09
(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

Panel on Welfare Services

Minutes of meeting
held on Monday, 13 July 2009, at 10:45 am
in Conference Room A of the Legislative Council Building

Members present : Hon Albert CHAN Wai-yip (Chairman)
Hon CHEUNG Kwok-che (Deputy Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon LEUNG Yiu-chung
Hon TAM Yiu-chung, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon WONG Kwok-hing, MH
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Ronny TONG Ka-wah, SC
Hon Paul CHAN Mo-po, MH, JP
Hon WONG Sing-chi
Hon WONG Kwok-kin, BBS

Public Officers attending : Items III and IV

Mr Matthew CHEUNG Kin-chung, GBS, JP
Secretary for Labour and Welfare

Mr Paul TANG, JP
Permanent Secretary for Labour and Welfare

Ms Carol YIP
Deputy Secretary for Labour and Welfare (Welfare)2

Ms Zandra MOK
Political Assistant to Secretary for Labour and Welfare

Item III

Mr FUNG Man-lok
Assistant Director of Social Welfare
(Youth and Corrections)

Item IV

Ms NG Wai-lan, Reddy
Principle Economist (4)
Economic Analysis and Business Facilitation Unit
Financial Secretary's Office

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

Staff in attendance : Miss Florence WONG
Senior Council Secretary (2) 5

Ms Karen LAI
Council Secretary (2) 2

Miss Maggie CHIU
Legislative Assistant (2) 4

Action

I. Confirmation of minutes
[LC Paper No. CB(2)2119/08-09]

The minutes of the meeting held on 8 June 2009 were confirmed.

II. Information paper(s) issued since the last meeting

2. Members noted that no information papers had been issued since the last meeting.

Action

III. Progress report on the Child Development Fund
[LC Paper Nos. CB(2)2220/08-09(01) and (02)]

3. Secretary for Labour and Welfare (SLW) briefed members on the progress of the first batch of seven pioneer projects under the Child Development Fund (CDF), which were launched in December 2008. SLW advised that CDF, as recommended by the then Commission on Poverty (CoP), aimed to promote the longer-term development of children from a disadvantaged background to reduce intergenerational poverty. CDF comprised three key components, namely, personal development plans, mentoring programme and targeted savings. The recruitment of 750 participating children for the first batch of seven pioneer projects, who were aged between 10 and 16, was completed by the six operating non-governmental organisations (NGOs). In addition, more than 600 volunteers had been recruited to serve as mentors of the participating children. The Administration had also secured enthusiastic support from various parties in the private sector and the community, including three strategic partners (viz. the Centum Charitas Foundation (CCF), the Lions Clubs International District 303 – Hong Kong and Macau, China (Lions Clubs) and the Child Development Matching Fund) and two supporting organisations (viz. Sun Hung Kai Properties Limited and the Treasury Markets Association). SLW further advised that the participating children had started their two-year savings programme since April 2009. Of the 750 participating children, only eight cases had to set a lower savings target (i.e. below \$200). SLW stressed that apart from encouraging the disadvantaged children to develop an asset-building habit and to accumulate financial assets, CDF also aimed to encourage participating children to accumulate non-financial assets, such as right attitudes and a proper mindset, personal resilience and capacities as well as social networks through various training programmes. SLW added that the Administration had commissioned the Polytechnic University of Hong Kong (PolyU) to conduct a consultancy study on CDF to evaluate the pioneer projects and make recommendations on how to further develop CDF into a longer-term model. The Administration would closely monitor the implementation of the pioneer projects.

Support from the private sector

4. Mr WONG Kwok-hing was supportive of CDF in principle. Mr WONG was of the view that securing support from banking and financial institutions would not only enable them to assume the corporate social responsibility of nurturing the younger generation, but also provide funding for the matching contribution and mobilize their staff to serve as mentors for participating children of individual projects. This would also help the participating children develop the traditional virtue of frugality and cultivate a savings habit.

Action

5. SLW said that the pioneer projects had received enthusiastic support from various sectors, including financial institutions such as the Treasury Markets Association and Centum Charitas Foundation (CCF). As strategic partners of CDF, CCF and the Lions Clubs were lining up enterprise visits, which covered banks, for all participating children this summer to help enrich their exposure. The visits would also cover corporations/operational establishments in Hong Kong and the Mainland, such as Cable TV, the Hong Kong Convention and Exhibition Centre, and the Nansha Information Technology Park at the Pearl River Delta, etc, to broaden the children's exposure. SLW added that to his knowledge, the Bank of East Asia and the Bank of China had waived the administration fees for savings accounts for participating children as a token of support to CDF.

Admin

6. Responding to Mr LEE Cheuk-yan, SLW said that no operating NGOs had conveyed to the Administration that the administration fee charged by banks hindered the implementation of CDF. Neither had participating children withdrawn from the target savings programme. Mr LEE requested the Administration to ascertain from the relevant banks that no administration fee would be charged in respect of CDF accounts.

Timetable for rolling out subsequent batches of projects

7. Pointing out that a total of 13 600 children would benefit from CDF if the projects were fully implemented, Mr LEE Cheuk-yan asked about the concrete timetable for implementing the subsequent batches of pioneer projects. Ms LI Fung-ying raised a similar concern.

Admin

8. SLW responded that as a first step to try out a new service model, a target of at least 700 participating children was set for the first batch of the pioneer projects. The Steering Committee on Child Development Fund (SCCDF), chaired by the Permanent Secretary for Labour and Welfare (PSLW), had been set up to steer the design and to oversee and monitor the implementation of CDF. SCCDF would review the progress of CDF in about two months' time. Taking into account the practical experience in implementing the first batch of pioneer projects, the Administration would consider the timetable for rolling out the second batch of CDF as well as the plan to further develop CDF. SLW envisaged that CDF would be fully implemented by batches in three to five years' time. Nevertheless, the timetable for launching the subsequent batches of CDF could be reviewed in the light of practical experience in implementing the first batch of pioneer projects. Ms LI Fung-ying requested the Administration to report to the Panel the way forward for CDF after the review of SCCDF.

9. Mr TAM Yiu-chung was of the view that if CDF was considered worthy for full implementation, the Administration should advance the timetable for rolling out the subsequent batches of projects.

Action

10. Mr Ronny TONG and Mr Albert HO took the view that the number of participating children of the first batch of pioneer projects was on the low side as compared to the total allocation for the projects.

11. SLW said that about 13 600 children would benefit from CDF upon its full implementation. As he had pointed out earlier, the pioneer projects served as the first step to try out a new service model. SCCDF would review the implementation progress in the next two months. SLW and Deputy Secretary for Labour and Welfare (Welfare)2 (DS(W)2) stressed that as mentors played an important role in guiding the participating children to achieve long-term development plans, it was understandable that the operating NGOs needed time to recruit suitable and sufficient mentors.

Personal development plans

12. Noting that \$15,000 had been set aside for each participating child under the CDF pioneer projects for the provision of relevant training programmes, Mr Ronny TONG expressed concern about the cost-effectiveness of the training programmes and how the money was to be used. Mr Albert HO raised similar concerns and asked about the details of the training programmes.

13. DS(W)2 said that \$15,000 was provided for the provision of training programmes for each participating child for a period of two years so as to help them develop and pursue their own personal development plans with specific targets. The operating NGOs would provide training programmes, such as life planning, financial planning and problem solving skills, which were essential to the long-term development of children. This apart, the operating NGOs and mentors would provide on-going guidance to the participating children in developing and pursuing their own personal development plans and training programmes to meet their specific needs. The six operating NGOs were required to report to SCCDF regularly. DS(W)2 supplemented that the first batch of the seven pioneer projects were supported by the community with encouraging results in boosting participants' confidence and widening their horizons.

14. Mr Ronny TONG asked whether \$15,000 set aside for the provision of training programmes could be used for meeting Internet access charges by the participating children who lived in households receiving Comprehensive Social Security Assistance (CSSA) as the use of the Internet was the basic and imminent educational needs of children attending schools.

15. Mr LEUNG Yiu-chung estimated that the cost for providing training programmes for the participating children under CDF would be almost adequate for financing the additional cost for the provision of Internet access charges to

Action

some 400 000 needy children attending school. He strongly urged the Administration to actively consider the strong call for the provision of Internet access charges to meet the basic needs of children from a disadvantaged background.

16. SLW said that Internet access expenses of CSSA households would be looked into at the forthcoming Household Expenditure Survey to be conducted in the 2009-2010 session. He further said that under the Computer Recycling Programme jointly provided by the Education Bureau and the Environmental Protection Department, needy students who were recipients of CSSA or the School Textbook Assistance Scheme under the Student Financial Assistance Agency were provided with recycled computers and one-year free Internet access service.

17. Mr TAM Yiu-chung considered that the \$15,000 set aside for the provision of training programmes should be devoted to training purpose exclusive of the administration costs incurred by the operating NGOs in organising the training programmes. Mr TAM was concerned about the effectiveness and monitoring of the training programmes in achieving the long-term development of individual participating children. In this connection, he requested for further details about the 157 training programmes organised by the operating NGOs, such as the objectives and content of the programmes.

Admin

18. At the request of the Chairman, the Administration would provide the details of the 157 training programmes after the meeting.

19. Mr Ronny TONG took the view that the proper use of the funding for the training programmes should be carefully monitored. He asked whether any monitoring mechanism had been put in place.

20. SLW said that the operating NGOs were required to make periodic reports to SCCDF on the implementation of CDF projects. PSLW added that the Administration would closely monitor the implementation of the pioneer projects and take into account the evaluation results of the consultancy study on CDF conducted by PolyU, and further develop CDF into a longer-term model to promote child development in Hong Kong.

Two-year savings programme

21. Referring to the monthly savings target of \$200 for two years, Ms LI Fung-ying asked whether participating children were able to meet the monthly target. She also enquired about the specific development plans of the participating children.

22. In reply, SLW said that to address the special needs or circumstances of

Action

individual participating children and their families, the operating NGOs had been given the flexibility to set a lower savings target for special cases. It was noted that most of the participants partners were willing to save \$200 per month. He further said that the development plans of the children might include development of their talents, such as ballet dancing or learning a practical skill such as driving. The operating NGOs, with the assistance of mentors, would monitor the savings situation of the participating children and offer on-going guidance to them for the best use of the savings for their personal development. The Government would also provide a special financial incentive of \$3,000 for each participating child upon completion of the two-year savings programme. Ms LI requested the Administration to provide further information on the specific plans to use the two-year savings made by the participating children.

Admin

23. Mr Albert HO and Mr LEUNG Yiu-chung were concerned that the savings target of \$200 per month was too high for children from a disadvantaged background. To meet the imminent needs of these children and to help develop their talents at an early stage, Mr HO considered it more desirable for the children to spend the savings right away without the need to wait for two years.

24. SLW said that in general, the target savings programme ran smoothly and the participating children had been able to meet the preset savings target as agreed between the NGOs and the children and their families. Since the launch of the first batch of pioneer projects, only eight cases had to set a savings target below \$200. PSLW supplemented that the savings programme aimed to assist the participating children to achieve specific targets after two years, whereas the immediate training needs of the children could be taken care of by the provision of \$15,000 set aside for the training programmes.

Criteria for recruitment of participating children

25. Pointing out that only 750 children were recruited for the first batch of seven pioneer projects, Mr Ronny TONG asked about the selection criteria for the limited number of participating children. He was concerned whether the recruited children were those who had the most imminent need to plan for their future.

26. SLW appreciated the concerns expressed by members. He stressed that the primary objectives of CDF were to encourage children from a disadvantaged background to develop positive values and a habit of asset building, and that the number of beneficiaries of 750 represented only the number covered under the first batch of the pioneer projects. SLW said that the Administration was open-minded and would listen to views on the future direction of CDF.

27. In respect of the recruitment of participating children, Mr WONG Sing-chi was of the view that priority should be given to those who were in need of

Action

assistance in drawing up development plans. Mr WONG cautioned that CDF should aim at an early identification of the target participants for appropriate assistance, instead of focusing on the development of the potential and talents of children.

28. SLW reiterated that CDF aimed to assist children from a disadvantaged background so as to reduce inter-generational poverty. As he pointed out earlier, SCCDF would meet shortly to review the implementation of the first batch of pioneer projects.

29. Responding to Mr Albert HO, SLW said that children aged 10 to 16 who were receiving CSSA or full grants from student finance schemes administered by the Student Financial Assistance Agency or whose household incomes were less than 75% of the Median Monthly Domestic Household Income were eligible for participating in the pioneer projects. SLW added that the participating children came from different background and were recruited and selected by the operating NGOs through their own networks, such as schools in the region/district.

Other concerns

30. Mr CHEUNG Kwok-che asked about the total number of NGOs which had applied for running the pioneer projects and the criteria for selecting the six operating NGOs. In his view, more NGOs participating in the pioneer projects would relieve the workload of each NGO in implementing the projects and thereby increasing the number of participating children.

31. SLW replied that for the first batch of pioneer projects, a total of 15 proposals were received. In some regions, however, only one proposal was received. DS(W)2 supplemented that as each pioneer project required a two-year commitment of the participating children and their families as well as the mentors, the implementation of the pioneer projects by batches would facilitate the operating NGOs to try out the new service model and to recruit an adequate number of mentors for their CDF pioneer projects. The longer-term model of CDF would be reviewed in the light of the practical experience of the first batch of pioneer projects.

32. To enlarge the pool of mentors, Mr CHEUNG Kwok-che said that consideration could be given to recruiting mentors from tertiary institutions in addition to the private sector. In response, SLW said that mentors were recruited by the operating NGOs from all walks of life, including tertiary students.

33. Mr CHEUNG Kwok-che and Mr Ronny TONG enquired whether the Administration would provide more resources for the operating NGOs to cope

Action

with the additional workload arising from implementing the pioneer projects. Mr CHEUNG further asked about the breakdown of the \$300 million earmarked for CDF.

34. SLW said that as set out in the funding proposal which was approved by the Finance Committee in April 2008, out of the \$300 million Fund, \$40.8 million was allocated for the special financial incentive of \$3,000 for each participating child upon completion of the two-year savings programme (\$3,000 x 13 600), \$204 million for the provision of training programmes for the participating children, their parents/guardians and mentors, \$20.4 million for administration cost of the operating NGOs, \$4 million for the consultancy study, \$7.5 million for the monitoring and publicity of the projects, and \$23.3 million for contingency.

35. While supporting the objectives of CDF, the Chairman was concerned that the participating children and their families would have to cut expenses on other daily necessity items in order to meet the savings targets. In his view, the provision of \$15,000 for each participant to attend training programmes was not particularly high over a two-year period. Instead of recruiting mentors by individual operating NGOs at the district level, consideration should be given to setting up a central register to facilitate the recruitment of mentors and better matching of mentors with participating children across the territory. The Chairman added that since some NGOs providing youth services had established network in the community, the Administration could invite these organizations to take part in rolling out subsequent batches of projects, which, in his view, would expedite the full implementation of CDF. Lastly, the Chairman requested the Administration to allocate more resources to the Fund so as to benefit more children.

36. SLW said that the Administration would closely monitor the implementation of the pioneer projects. It was open minded on the way forward and would take into account members' views, the evaluation results and the practical experience in implementing the first batch of pioneer projects and consider how to further develop the model to promote child development in Hong Kong in the long term. SLW said that the Administration might seek additional resources if such needs arose.

IV. Task Force on Poverty

[LC Paper Nos. CB(2)2220/08-09(03) and (04)]

37. SLW briefed members on the progress of the work of the Task Force on Poverty. He said that the Task Force on Poverty had coordinated efforts across the Government in tackling poverty related issues, and had duly followed up on the 53 recommendations made by the then CoP, as detailed in the Annex to the

Action

Administration's paper. Some recommendations had already been implemented. This apart, the Administration had allocated additional resources for the Short-term Food Assistance Service Projects which were launched in February 2009.

38. SLW further said that the primary objective of the Administration's policy in poverty alleviation would be to create a suitable environment to assist the low-income earners by enhancing their employability through a multi-pronged approach, including promoting the development of infrastructure, strengthening training and re-training efforts, facilitating social mobility to reduce inter-generational poverty, and encouraging the cooperation among the government, the community and the business sector through social enterprises (SEs). SLW stressed that the Task Force on Poverty would continue its efforts and monitor the progress in implementing the then CoP's recommendations, as well as explore possible new initiatives and measures which would assist the disadvantaged groups and people in need. He added that the Administration had initiated a series of relief measures since September 2008 to alleviate the impacts of the financial turmoil on the grassroots.

39. Mr LEE Cheuk-yan was of the view that the 53 recommendations made by the then CoP could not tackle the poverty problem. Given that the Administration did not have any long-term strategies on poverty alleviation, the short-term relief measures put in place were far from adequate to address the problems faced by the poor elders and the working poor. He expressed grave concern about the following -

- (a) the study on the sustainability of the three pillars of retirement protection for Hong Kong as stated in recommendation item 45 was still outstanding;
- (b) the one-year-continuous-residence requirement under the Social Security Allowance Scheme and the requirement for elders living with their family members to apply for CSSA on a household basis had given rise to the problem of elderly in poverty;
- (c) the fact that only 50 000 out of 400 000 low-income households (whose household monthly incomes were lower than the average monthly CSSA payments of the same household size) had applied for CSSA revealed that the Administration should step up its efforts in helping the low-income groups. Besides, the two television announcements in the public interests (APIs) had conveyed negative messages against CSSA recipients and had deterred people in need from applying for CSSA; and

Action

- (d) the Administration should expedite its review on the way forward of the pilot Transport Support Scheme (TSS) having regard that the period of allowance for some recipients would expire shortly.

40. SLW said that the study on the retirement protection was being conducted by a focus group formed under the Central Policy Unit. He said that universal retirement protection was a complex subject which required thorough consideration in the light of the sustainability of the three pillars of retirement protection in Hong Kong, viz. the Mandatory Provident Fund Scheme, the CSSA and Old Age Allowance (OAA) as well as voluntary private savings.

41. SLW further said that the CSSA Scheme aimed to provide a safety net for those who could not support themselves financially to meet their basic needs. At present, there were about 286 000 households and 480 000 recipients under the Scheme. As regards the concern about the public's misperception against CSSA recipients, he advised that the two APIs aimed to encourage self-reliance of CSSA recipients and combat CSSA frauds in the light of the public concern about the fraud and abuse cases. Having regard to the achieved effects of the two APIs, the Administration had ceased to broadcast the APIs.

42. Mr Frederick FUNG said that the then CoP had held lengthy discussion on the problem of working poverty and enquired about the measures in place to tackle the problem and assist the working-poor households.

43. SLW responded that the Administration was very concerned about the working poverty problem and had adopted a multi-pronged approach to tackle the problem. Some of the measures were set out below –

- (a) financial assistance was provided to eligible low-income earners under the CSSA Scheme. Currently, there were some 16 000 low earnings cases under the CSSA Scheme;
- (b) supportive measures had been rolled out to assist low-income workers to enter the labour market through skills upgrading courses and employees retraining programmes with a view to enhancing their employability. Notably, the eligibility criteria for the Employees Retaining Scheme had been relaxed to include those aged at or above 15 and had obtained an associate degree or lower qualifications;
- (c) the Enhancing Self-Reliance Through District Partnership (ERP) Programme, which was launched in 2006, had supported about 90 SEs and created some 1 500 jobs for the socially disadvantaged; and

Action

- (d) CDF was implemented to encourage longer-term personal development of children from a disadvantaged background.

44. Pointing out that only 1 500 adults and 750 children from the socially disadvantaged could benefit from the ERP Programme and CDF respectively, Mr Frederick FUNG cast doubt about the effectiveness of the measures put in place as they were fragmented and were far from adequate to combat the poverty problem.

45. Mr TAM Yiu-chung took the view that most of the measures put in place by the Administration were one-off in nature and the number of beneficiaries was rather limited. The Administration should draw up longer-term measures to assist the low-income group. Consideration should also be given to developing the pilot TSS into a longer-term scheme which had been proven effective in encouraging the unemployed or low-income earners living in remote districts to work across districts. In addition, the Administration should consider providing more job opportunities in less well-off districts, rendering more assistance to needy elders who lived in private housing flats, and relaxing the permissible limit for absence from Hong Kong under OAA.

46. SLW responded that the Administration was conducting a comprehensive review on the way forward for TSS. SLW pointed out that although the period of allowance had been relaxed from six months to 12 months, the transport subsidy was meant to be time-limited and should by no means be regarded as an income supplement.

47. SLW further said that a number of district-based measures had been carried out to provide more job opportunities. Notably, the Administration had facilitated the Hong Kong Jockey Club to set up a Telebet Centre cum Volunteers and Training Centre in Tin Shui Wai (TSW). About 900 workers had been recruited for Phase 1 of the Centre. Another 1 500 workers would be recruited in September 2009. Besides, the Housing Department (HD) had introduced the requirement of employing a certain percentage of local residents in four security and cleansing service contracts for seven public housing estates in TSW.

48. Noting that a district-based approach was adopted to alleviate poverty in order to address the unique situation and characteristics of individual districts, Mr WONG Kwok-hing asked whether the district-based measures so adopted would be extended to Tung Chung, which, in his view, was also a less well-off district. To enable the unemployed to seek employment, Mr WONG was of the view that more copies of newspapers should be made available in the public libraries in the remote districts. In addition, consideration could be given to promoting the development of flea markets in remote districts, relaxing the eligibility for hawker licences and facilitating the development of mutual-help

Action

groups among the low-income households to provide nursery services, elderly caring services, tuition classes, etc. in the neighbourhood with a view to strengthening community network and creating jobs at the district level.

49. SLW responded that his Bureau would convey Mr WONG Kwok-hing's suggestions to the relevant departments for consideration. As regards the district-based initiatives in encouraging employment by requiring security and cleansing service contractors of public housing estates to employ a certain percentage of local residents, SLW said that some 480 job opportunities had been created for residents of TSW in the district. The Labour and Welfare Bureau (LWB) would discuss with HD the viability of extending the approach so adopted in TSW when awarding new services contracts in public housing estates in other remote districts. Moreover, District Officers concerned would assist in identifying suitable places for flea markets to promoting local economic activities, the Development Bureau was also studying the land use of an open space next to the Hong Kong Wetland Park of TSW to, among others, develop local markets with a view to creating job opportunities in the community. SLW further said that the setting up of the Community Investment and Inclusion Fund also promoted social capital development through encouraging mutual support in the neighbourhood, developing community network and mobilising partnership collaboration among district organisations.

50. Mr WONG Kwok-hing said that the Administration should report the progress in due course. Mr WONG also noted with concern that some Hong Kong residents who had resided on the Mainland for some time and returned to Hong Kong due to unemployment amidst the financial tsunami, but they were not eligible for CSSA because they could not meet the one-year-continuous-residence requirement. He urged the Administration to consider reviewing the residence requirement so as to alleviate their financial hardship.

51. Mr Frederick FUNG and Mr WONG Sing-chi enquired about the updating of the poverty indicators and how the Administration would monitor and track the indicators.

52. SLW said that the indicators of poverty for 2007 had been posted onto the website of LWB while the indicators of poverty for 2008 would be released in September 2009. At the request of members, the Administration would provide a comparison of the poverty indicators in the past three years after the meeting.

Admin

53. Mr Frederick FUNG opined that while the poverty indicators reflected the poverty situation, the Government did not have to state its position nor its policy on how to tackle the poverty problem in Hong Kong in the absence of specific targets for poverty alleviation. Expressing a similar concern, Mr WONG Sing-chi was of the view that although the Administration had implemented the

Action

recommendations made by the then CoP, it lacked long-term policies and strategies for improving the poverty problem, such as setting the levels of poverty indicators or Gini coefficient to be attained.

54. SLW responded that the then CoP had deliberated and considered that persons aged 0-59 and poor elders living in households with income below the average CSSA payments were those living in poverty, the number of which were estimated to be around 714 000 in 2008. The then CoP had also identified 24 multi-dimensional indicators, of which 18 were life-cycle-based poverty indicators and six were community-based poverty indicators, which were updated annually for monitoring the poverty situation in Hong Kong at a macro level, providing a broad picture of how the poverty situation was evolving, and identifying areas for more focused study.

55. SLW further said that the Administration endeavoured to assist the socially disadvantaged. The poverty indicators provided objective reference for all relevant bureaux and departments to consider when formulating policies to assist the needy.

56. Mr LEUNG Kwok-hung expressed dissatisfaction at the Administration's failure to set specific targets on poverty alleviation. He expressed grave concern about the livelihood of some 700 000 persons who were living in poverty. Given that indicators of poverty and Gini coefficient were available, he saw no reason why the Government could not set the poverty line and quantifiable targets. Mr LEUNG noted with concern that the Gross Domestic Product per capita between Hong Kong and the United Kingdom were on a par, but the livelihood of the unemployed in Hong Kong was worse than that of the United Kingdom.

57. SLW stressed that the Administration attached great importance to the work of poverty alleviation and it would continue its efforts to monitor the progress in implementing the then CoP's recommendations, as well as to explore possible new initiatives and measures to assist the disadvantaged groups and people in need.

58. Mr Albert HO said as a caring Government, the Administration should attach due importance to combat the poverty problem and provide support to the disadvantaged. Citing the criticisms made by the United Nations Committee on Economic, Social and Cultural Rights in its report in 2002, Mr HO noted with concern that while Hong Kong was an affluent society, many elders were living in poverty. He enquired if the Administration had devised strategic directions and taken concrete measures to improve the situation.

59. SLW responded that the problem of income disparity between the rich and the poor was not uncommon in an affluent society, and was not unique to Hong

Action

Kong. Nonetheless, the Administration had attached great importance to assist some 700 000 persons who were living in poverty, including the elders. Notably, the public expenditure on welfare services represented over 17% of the government recurrent expenditure, and the expenditure on the social security system alone amounted to over \$25 billion, i.e. about 12% of the government recurrent expenditure.

60. Mr Albert HO further said that members were repeatedly told by deputations that CSSA payments could merely meet the basic needs of the recipients, but not for a dignified living. Mr HO was particularly concerned about the livelihood of new arrivals who could not meet the seven-year residence requirement for CSSA and therefore had to rely the CSSA payments of their family members for a living. Mr LEUNG Kwok-hung expressed a similar concern.

61. SLW responded that apart from CSSA, other forms of assistance were available to the needy, such as public healthcare services, housing and education which were highly subsidized by the Government. In addition to implementing the 53 recommendations made by the then CoP, the Task Force on Poverty had initiated the Short-term Food Assistance Service Projects to assist those who were in financial hardship.

62. Ms LI Fung-ying said that despite the Administration had informed members that it had duly followed up on the 53 recommendations made by the then CoP, it had yet to formulate concrete support and complementary measures to tackle the problem of poverty. In her view, members had reached consensus on a number of measures to provide immediate assistance the needy and to alleviate the poverty problem. For instance, the expeditious enactment of the Minimum Wage Bill, extension of the pilot TSS and reprovision of the transport subsidy for local domestic workers to work across district. Ms LI further said that members had time and again made various proposals to meet the imminent needs of specific disadvantaged groups, such as the provision of temporary unemployment assistance, dental grants for elderly CSSA recipients, waiving the requirement for elders living with family members to apply for CSSA on a household basis. To demonstrate its commitment, she strongly urged the Administration to study the viability of these proposals and formulate a long-term policy to tackle the poverty problem.

63. SLW responded that the Administration had from time to time studied measures and endeavoured to make its best efforts to combat poverty. Notwithstanding this, he hoped members would appreciate that the introduction of a new policy such as the establishment of a minimum wage, which was a complex and controversial issues, would not be easy as a consensus could not be reached without lengthy deliberations. It would also take time to verify and confirm the effectiveness of some other measures like CDF.

Action

64. Echoing Ms LI Fung-ying's views, Mr Alan LEONG said that poverty alleviation required concerted efforts and collaboration among bureaux and departments. He could not understand why the then CoP, which was headed by the Financial Secretary (FS), was dissolved. In this connection, Mr LEONG asked SLW, being the Chairman of Task Force on Poverty, whether the Task Force had encountered any difficulties in coordinating the cross-departmental efforts on combating poverty since its establishment in October 2007. Given that the then CoP recommended that a district-based approach be adopted to alleviate poverty to address the specific problems in individual districts, Mr LEONG asked about the coordination of the district-based initiatives.

65. SLW responded that poverty alleviation was not an easy task which required enormous resources. As the Government had lent its full support to the recommendations of the then CoP, the Task Force had not experienced difficulties in starting its work. For instance, with the approval of the Finance Committee, a \$300 million CDF had been set up to reduce the inter-generational poverty. SLW advised that the Task Force on Poverty had duly followed up on the 53 recommendations of the then CoP. He envisaged that most of the problems could be resolved when the relevant measures were in place, while some would take some time longer to see the results.

66. SLW further advised that the district-based approach was an effective way to address the unique situation and characteristics of individual districts, especially for those less well-off districts. A good example was the case of TSW. As a result of carrying out a series of district-based initiatives, the latest statistics suggested that there had been some improvement in the poverty situation of TSW. Moreover, the active involvement of the District Officers and District Social Welfare Officers concerned would help identify the specific needs of the districts and mobilise resources at the district level. The Task Force was discussing the proposal of adopting similar district-based initiatives in other less well-off districts like Kwai Tsing and Kwun Tung.

67. The Chairman was of the view that the poverty situation in Hong Kong was a structural problem instead of a welfare problem. Hence, the Task Force should be led by FS so as to collaborate the cross-bureaux/departmental efforts on the work of poverty alleviation. In his view, in the absence of a poverty line, the Administration did not have specific targets for improving the poverty situation. With reference to the recent Mainland policies on narrowing the income disparity between the rich and the less well-off living in cities and rural areas, the Chairman considered that the Mainland authorities had demonstrated their commitment in combating poverty. Given the surplus fiscal reserve position in Hong Kong, the Administration had no excuse for not allocating more resources to and making more concerted efforts on the work of poverty alleviation.

Action

V. Any other business

68. There being no other business, the meeting ended at 1:00 pm.

Council Business Division 2
Legislative Council Secretariat
17 September 2009