

**General Public's Perception of
Comprehensive Social Security Assistance recipients**

**The Administration's response to the views expressed by deputations
at the Special Meeting of LegCo Panel on Welfare Services
held on 11 July 2009**

Promoting the Comprehensive Social Security Assistance (CSSA) Scheme

The CSSA Scheme provides a safety net for those who cannot financially support themselves. It is designed to bring their income up to a prescribed level to meet their basic needs. As at end-June 2009, the CSSA Scheme provided support to 289 911 families with a total of 485 183 recipients. Since our goal is to support persons in need through the CSSA Scheme, the Government certainly does not discriminate against CSSA recipients. Nor would it be appropriate for members of the community to label CSSA recipients in a negative manner. The Administration's one-off measure of providing one additional month of the standard rate of CSSA payment to CSSA recipients was proposed in consideration of the profound impact of the financial turmoil and the fact that many at the grassroots level have also been affected.

2. The Government has been actively disseminating information on CSSA to the general public. The Social Welfare Department (SWD) issues monthly reports on the latest CSSA statistics. Various pamphlets on the CSSA Scheme are also available to the public at the District Social Welfare Offices, Social Security Field Units and Integrated Family Service Centres (IFSCs). These pamphlets outline various arrangements under the CSSA Scheme, such as ways to encourage and assist able-bodied unemployed CSSA recipients to move towards self-reliance and the social security appeal mechanism, in clear and simple terms. All such information, as well as other publications and press releases on the CSSA Scheme, are uploaded to SWD website for easy access by the general public.

3. SWD commissioned the Hong Kong Polytechnic University to conduct a public opinion survey in September 2006. The findings of the survey showed that most of the respondents supported that SWD should produce television (TV) announcements in the public interest (APIs) with the themes of encouraging self-reliance and combating CSSA frauds. In this connection, SWD produced two TV APIs in 2007 on "Strive to move from welfare to self-reliance" and "Welfare cheats are liable to prosecution" in

response to public concern on the CSSA Scheme and to disseminate to the public the positive message that CSSA should be rendered to those with genuine needs.

4. At present, SWD is assisting Oxfam in preparing educational kits to promote positive information about CSSA recipients. SWD would continue its public education work where necessary.

5. Some deputations suggested that SWD should release monthly updates on CSSA statistics simultaneously with the seasonal unemployment figures. Since CSSA recipients under “unemployment” category only accounted for less than 13% of the total number of recipients (12.76%), we do not consider this arrangement appropriate. At present, CSSA and unemployment statistics are both published on a regular basis under well-established mechanisms.

Services rendered by SWD’s frontline staff to CSSA recipients

6. There are views that SWD’s frontline staff have requested CSSA recipients to provide additional supporting documents in response to the rise in fraud or abuse cases, thereby causing inconvenience to the latter. We would like to reiterate that the number of fraud or abuse cases only accounted for 0.3% of all CSSA cases (around 800 cases) in 2008-09. Nonetheless, to avoid these frauds tainting the public’s perception of CSSA recipients, SWD’s frontline staff will need to continue to discharge their role as the gatekeepers.

7. In the process of screening the CSSA applications, it is necessary for SWD to verify the income of applicants as well as their family members. If the applicant can provide sufficient income proof (for example, pay slips, bank passbooks and Mandatory Provident Fund pay-records, etc.), it would not be necessary for the applicant to submit the completed and signed “employer statement”. If, however, the applicant cannot provide any income proof owing to his/her special job nature (for example, casual jobs or self-employed occupations), SWD may, generally speaking, accept the self-declaration of the applicant about his/her income.

8. In providing assistance to those in need, we must also ensure that public funds are used properly. CSSA is a non-contributory social security scheme funded entirely by the general revenue. Since it involves huge amount of public funds, we must act with prudence and caution to ensure the sustainability of this safety net. We will remind SWD’s frontline staff to continue to pay careful attention to the needs of the recipients and serve in a proactive and caring manner, bearing in mind the motto “always people first”.

9. As regards the possibility of arranging direct payment to payees of recurrent expenditures instead of routing payment through CSSA recipients to reduce the risk of frauds or abuses, we would like to reiterate that the CSSA Scheme is designed to bring the income of those who cannot financially support themselves up to a prescribed level to meet their basic needs. CSSA households can flexibly deploy their CSSA monthly payments to procure goods and services according to their own circumstances and needs. Stipulating a separate mechanism for payment of recurrent expenses is not considered appropriate as it would reduce the flexibility of CSSA households in budgeting for their expenses.

Encouraging self-reliance

10. To encourage and assist able-bodied unemployed CSSA recipients to secure paid employment and move towards self-reliance, SWD implemented the Support for Self-reliance (SFS) Scheme in June 1999 to provide personalized employment assistance service. In October 2008, SWD launched the three-year Integrated Employment Assistance Scheme (IEAS) under the SFS Scheme. Under IEAS, NGOs have been commissioned to operate 60 employment assistance projects to provide ordinary and intensive employment assistance services for unemployed able-bodied CSSA recipients aged between 15 and 59 so as to assist them to secure full-time paid employment and move towards self-reliance. From October 2008 to May 2009, a total of 38 193 CSSA recipients have joined IEAS following SWD's referral. SWD would continue to monitor progress and render necessary support for development of the Scheme.

11. The Special Training and Enhancement Programme (My STEP) has also been implemented under the SFS Scheme to help those CSSA unemployed youth aged between 15-29 rejoin the workforce or return to mainstream schooling. At present, My STEP is implemented as a pilot project in selected districts. Up to end-March 2009, 301 out of 611 participants (about 49%) of the second phase of My STEP have secured full-time employment or returned to mainstream schooling.

12. The current phase of My STEP would end in September 2009 and SWD is actively planning to launch another phase of My STEP thereafter.

Disregarded earnings (DE) arrangement

13. The DE arrangement under the CSSA Scheme aims to encourage recipients who have working ability to find jobs and remain in employment. Under the DE arrangement, part of the recipient's earnings from employment

would be disregarded when assessing the amount of CSSA payable. Though the DE arrangement has provided CSSA recipients with more financial incentives to find and remain in employment, more generous DE may render more people eligible for CSSA and delay their exit from the system. We therefore need to strike a balance between the two. In fact, the maximum level of monthly DE was raised from \$1,805 to the current level of \$2,500 in June 2003. The “no-deduction” limit for DE was also raised from \$600 to \$800 and the criteria for allowing CSSA recipients to be eligible for DE was also relaxed from not less than three months having been on CSSA to not less than two months, with effect from 1 December 2007. We expect that more time is required for us to monitor the effectiveness of the measures concerned, and there are no plans for further relaxation at this stage.

Enhanced New Dawn Project

14. The New Dawn (ND) Project, targeted at single parents and child carers on CSSA with their youngest child aged 12 to 14, was first introduced in 2006. Through the provision of appropriate employment assistance services, the Enhanced ND Project assists participants to enhance their capacity for self-help, integrate into the community and move towards self-reliance through engagement in work. Participants are required to actively seek paid employment with working hours of not less than 32 per month. In special circumstances, some single parents and child carers on CSSA, such as those required to take care of vulnerable family members who are disabled or in ill-health, recently being victims of domestic violence, or having other special reasons (in which cases recommendation from social worker may be required), may be temporarily exempted from joining the ND Project. The current phase of the Project, entitled the Enhanced ND Project, was implemented in October 2007. As at end-May 2009, a total of 7 047 persons had joined the Enhanced ND Project, of whom 1 617 (about 23%) had secured paid employment.

Residence requirements for CSSA applications

15. The seven-year residence requirement provides a rational basis for the allocation of public resources and helps sustain a non-contributory social security system. It encourages new arrivals who can work to be self-reliant rather than relying on welfare benefits. It underlines the need for potential immigrants to plan ahead to ensure that they would have sufficient means to be self-supporting before moving to Hong Kong. That said, the Director of Social Welfare can exercise discretion to waive the residence requirements in cases involving applicants in genuine hardship. Between 1 January 2004 and 31 March 2009, 5 599 cases involving applicants in genuine hardship were approved on a discretionary basis..

16. CSSA is not the only source of assistance available for those in need (including new arrivals). When there are proven needs, and subject to meeting the respective eligibility criteria, there are also other forms of assistance available to new arrivals such as employment support services, emergency relief, temporary grants from charity trust funds, medical waivers, child care services, assistance in kind and placement in singleton hostels.

**Labour and Welfare Bureau
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