

立法會
Legislative Council

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Panel on Welfare Services

Subcommittee on Poverty Alleviation

**Minutes of the third meeting
held on Monday, 6 April 2009, at 4:30 pm
in Conference Room A of the Legislative Council Building**

Members present : Hon Frederick FUNG Kin-kee, SBS, JP (Chairman)
Hon LEE Cheuk-yan
Hon LEUNG Yiu-chung
Hon TAM Yiu-chung, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon Ronny TONG Ka-wah, SC
Hon CHEUNG Kwok-che
Hon WONG Kwok-kin, BBS

Member absent : Hon WONG Sing-chi

Public Officers attending : Items I and II

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

Mrs Polly CHAN
Principal Assistant Secretary for Labour and Welfare (Welfare) 4

Mr Henry LAI
Assistant Secretary for Labour and Welfare (Welfare) 4B

Ms LEUNG Kwai-ling
Assistant Director of Social Welfare (Social Security)

Mr NG Wai-kuen
Chief Social Security Officer 1
Social Welfare Department

Item I

Mrs Alice CHEUNG
Principal Assistant Secretary for Education
(Education Infrastructure)

Mr Kenneth NG Wing-cheung
Senior Statistician (Social Welfare)
Social Welfare Department

Item III

Ms Betty HO
Principal Assistant Secretary for Labour and Welfare (Welfare) 3

Mrs Kathy NG
Assistant Director of Social Welfare (Elderly)

Miss Sheila KONG
Chief Social Work Officer (Elderly) 2
Social Welfare Department

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

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

Miss Maggie CHIU
Legislative Assistant (2) 4

Action

- I. Further discussion on provision of Internet access charges under the Comprehensive Social Security Assistance (CSSA) Scheme**
[LC Paper Nos. CB(2)974/08-09(03) and CB(2)1198/08-09(01) to (02)]

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

Action

2. Members raised the following concerns –
 - (a) whether the Computer Recycling Programme (CRP) could meet the full demand for access to the Internet from eligible students who were either in receipt of the Comprehensive Social Security Assistance (CSSA) or the School Textbook Assistance (STA) under the Student Financial Assistance Agency;
 - (b) whether the Administration would consider relaxing the eligibility criteria for CRP to cover those needy children who were currently not in receipt of CSSA or STA in view that their families might face financial difficulties in the light of the recent financial tsunami;
 - (c) whether the Administration would start the review of CRP before the end of the two-year programme so that CRP would be provided for needy students without interruption and whether it planned to turn the programme into an on-going one;
 - (d) whether Internet service charges would be covered under the CSSA Scheme having regard to the fact that Internet access had now become a basic need for students, irrespective of whether they were on CSSA; and
 - (e) although information on the expenditure on Internet access charges would be collected in the new round of the Household Expenditure Survey (HES) on CSSA Households, the purpose of the exercise was to update the weighting system of the Social Security Assistance Index of Prices (SSAIP). The findings of HES on CSSA Households would not update the items (including Internet access charges) to be included in SSAIP.

3. The Administration made the following responses –
 - (a) students in receipt of CSSA and STA were eligible for CRP. Under the programme, each successful applicant would be provided with a refurbished computer together with one-year free Internet access service. The Education Bureau (EDB) had reserved \$25 million for the purpose, and it would not rule out the need to seek additional funding if necessary;
 - (b) eligible students could apply for CRP anytime during the two-year period. This apart, the Administration had adopted a multi-pronged approach to promote access to the Internet for learning in respect of students from low-income families, such as facilitating schools to open computer rooms and facilities for the use by needy children after school;

Action

- (c) CRP was launched in February 2009. The Administration would closely monitor the implementation and would review its effectiveness before making a decision on the way forward. It would take note of members' views and consider starting the review as early as practicable;
- (d) noting that some needy families were concerned about the subsequent Internet access charges after one year of free service, EDB was negotiating with the designated Internet service provider on a favourable service plan for a further two years after the initial year of free service, so that the beneficiaries of the CRP could join if they wish; and
- (e) the forthcoming HES on CSSA households would collect information on the expenditure on all commodities and services (including Internet access charges) consumed by CSSA households. The Administration would then look into the aspect of Internet access charges for updating the SSAIP.

Admin

4. To ensure that needy students would be provided with Internet access without interruption, the Administration was urged to start the review on CRP as early as practicable, say, six months before the end of the two-year period.

II. Disregarded earnings arrangements under the CSSA Scheme
[LC Paper Nos. CB(2)1198/08-09(03) and (04)]

5. Members generally considered that the provision of disregarded earnings (DE) could allow CSSA recipients who worked to be financially better off than those relying entirely on CSSA, thus they called upon further relaxation of the DE arrangements so as to encourage those who could work to find and remain in employment. Mr LEE Cheuk-yan pointed out that the income of CSSA recipients would not be disregarded in the first two months on CSSA under the "no DE for the first two months" rule, which provided disincentive to low-income earners to remain in employment at the time of applying for CSSA. The arrangement was at variance with the objectives of DE to provide incentive for CSSA recipients to find work and remain in employment. As such, the "no DE for the first two months" rule should be abolished.

6. The Administration made the following responses –

- (a) The DE arrangements, together with the Active Employment Assistance Programme and the Community Work Programme, were the three main components of the Support for Self-reliance Scheme

Action

which aimed at assisting able-bodied CSSA recipients to enhance their employability, thereby moving towards self-reliance;

- (b) the provision of DE under the CSSA Scheme was a very complex issue. The Administration needed to strike a balance between providing financial incentives for CSSA recipients to find and remain in employment, and maintaining DE at a level which would not become a disincentive for employable recipients to leave the CSSA net. The Administration had from time to time reviewed the DE arrangements. Notably, in December 2007, the "no reduction" limit for DE had been raised from \$600 to \$800 and the criteria for allowing CSSA recipients to be eligible for DE had been relaxed from not less than three months on CSSA to not less than two months; and
- (c) abolishing the "no DE for the first two months" rule altogether would mean that it would be possible for those who were in employment and at income level higher than those currently eligible for CSSA to come under the CSSA safety net.

7. Noting that the Administration would review the DE arrangements in 2010, members urged the Administration to conduct the review as early as practicable.

III. Improvement measures to residential care services for the elderly under the 2009-2010 Budget initiatives

[LC Paper Nos. CB(2)1191/08-09(01), CB(2)1198/08-09(05) and CB(2)1228/08-09(01) to (02)]

8. The Chairman said that members agreed at the last meeting that the Administration should provide at the meeting a response to the recommendations made in the Report of the former Subcommittee on Elderly Services relating to the provision of residential care services for the elderly. However, the Administration had advised that as the consultant of the study on residential care services for the elderly led by the Elderly Commission (EC) had difficulty in recruiting targets for interviews, the study was now expected to be completed by the second quarter of 2009. The Chairman regretted that the Secretary for Labour and Welfare had failed to honour his undertaking to revert on the subject in the first quarter of 2009.

9. The Chairman added that the Administration should brief the Panel on Welfare Services the findings of the study led by EC, and the Subcommittee would then follow up on specific issues, if necessary. Members agreed.

Action

10. In the light of the ageing population, members expressed grave concerns about the waitlisting situation of and the long-term planning on the provision of subsidised residential care places for the elderly, and raised the following questions –

- (a) whether more places could be provided in the two newly built contract residential care homes for the elderly (RCHEs);
- (b) whether the Labour and Welfare Bureau (LWB) had any plan to purchase additional places from private RCHEs under the Enhanced Bought Place Scheme (EBPS), given that this would enhance the quality of private RCHEs, increase the supply of subsidised residential care places and create employment opportunities amidst the financial tsunami.

11. The Administration made the following responses –

- (a) to meet the growing care needs of elders, the Government had been increasing the supply of subsidised residential care places through the construction of contract RCHEs, which provided both care-and-attention (C&A) places and nursing home (NH) places. The C&A places in contract homes were required to provide a continuum of care so that elders could continue to stay in the same home when their health deteriorated to a level that required nursing care. The Government would continue to identify suitable sites for the construction of new contract RCHEs and explore with existing contract RCHEs to convert some of the C&A places into NH places so as to shorten the waiting time for NH places;
- (b) while the Social Welfare Department (SWD) had from time to time liaised with relevant departments to identify suitable sites for the construction of new contract RCHEs or convert vacant government premises/school sites into RCHEs, it was noteworthy that most of the vacant sites were available for temporary use only and were therefore not suitable for development of RCHEs. Moreover, as stipulated under the Residential Care Homes (Elderly Persons) Ordinance (Cap. 459), no part of an RCHE should be situated at a height more than 24 metres above the ground floor owing to fire safety considerations. This imposed restrictions on site selection and the capacity of RCHEs. SWD had discussed with the relevant departments, including the Fire Services Department (FSD), to explore possible relaxation of the height restriction on premises in which RCHEs were accommodated;

Action

- (c) SWD would purchase an additional 500 subsidised places through EBPS and provide 150 additional subsidised places in two newly built contract RCHEs. It was anticipated that about 440 job opportunities could be created in this regard; and
- (d) the consultancy study led by EC on residential care services for the elderly, which was originally scheduled for completion in the first quarter of 2009, was expected to be completed by the second quarter of 2009 due to unforeseeable difficulties encountered by the consultant in conducting face-to-face interviews with the elders.

Admin

12. Noting that the requirement of "no part of an RCHE should be situated at a height more than 24 metres above the ground floor" had unduly limited the capacity of RCHEs, members took the view that the Administration should further study the issue with a view to maximizing the land use and increasing the supply of residential care places for the elderly. The Administration agreed to further liaise with the relevant departments, including FSD, and revert to the Subcommittee on the progress.

13. Mr LEE Cheuk-yan expressed regret that LWB had not exerted full efforts in creating jobs amidst the financial tsunami through purchasing more subsidised places from private RCHEs under EBPS, which was, in his view, an effective way to create jobs and shorten the waiting time for subsidised places.

IV. Any other business

Discussion items for the next meeting

14. Members agreed to discuss the review of the CSSA Scheme at the next meeting to be held on 15 May 2009, including the following –

- (a) the basis for inclusion and determining the relative weighting of the items as well as the review mechanism of SSAIP;
- (b) the difficulties faced by the CSSA applicants; and
- (c) the operation of discretionary mechanism under the CSSA Scheme.

Proposal to conduct an overseas duty visit

15. The Chairman said that some members had proposed that the Subcommittee should consider conducting a duty visit to obtain first-hand information on the successful experience of combating poverty and developing social enterprises in Asia such as Japan, South Korea and Taiwan. The proposed

Action

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visit could be scheduled during the forthcoming summer recess. To facilitate members' consideration on the need for conducting the proposed overseas visit, the Chairman requested the Research and Library Services Division of the Legislative Council Secretariat to provide an information note on the subject.

16. There being no other business, the meeting ended at 6:50 pm.

Council Business Division 2
Legislative Council Secretariat
6 May 2009

**Proceedings of the third meeting of the
Subcommittee on Poverty Alleviation
on Monday, 6 April 2009, at 4:30 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda item I – Further discussion on provision of Internet access charges under the Comprehensive Social Security Assistance Scheme</i>			
000000 – 000341	Chairman	Opening Remarks	
000342 – 000450	Administration	Implementation of the Computer Recycling Programme (CRP)	
000451 – 000701	Chairman Administration	Whether CRP could adequately meet the demand from school attending child recipients of the Comprehensive Social Security Assistance (CSSA) Scheme and whether the programme would continue after the two-year period The Administration's response that it would monitor closely the implementation of the programme, and would not rule out the need to seek additional funding if necessary. It would review the effectiveness of CRP upon its completion before making a decision on the way forward	
000702 – 001317	Mr CHEUNG Kwok-che Administration Chairman	Concerns about the recurrent Internet access charges as well as the eligibility, the progress and the sustainability of CRP The Administration's response that – (a) the Education Bureau (EDB) was negotiating with the designated Internet service provider on a favourable service plan for a further two years after the initial year of free service, so that the beneficiaries of CRP could join if they wish; (b) students of primary and secondary schools who were either on CSSA or School Textbook Assistance (STA) were eligible for CRP; and (c) as of mid-March 2009, some 9 000 applications were received. EDB had reserved \$25 million for the purpose, and it would not rule out the need to seek additional funding if necessary	
001318 – 002202	Mr WONG Kwok-kin Administration Chairman	Concern about the eligibility of needy children who were neither CSSA nor STA recipients The Administration's response that needy families might apply for CSSA or STA where applicable. Needy children could also consider using computers and Internet facilities in schools and Internet access in the community. The Administration would take account of the eligibility criteria for CRP in its review of the programme	
002203 – 002803	Mr LEUNG Yiu-chung Administration	Concerns about the number of beneficiaries under CRP and arrangements for those who had subscribed to	

Time marker	Speaker(s)	Subject(s)	Action required
		<p>non-designated Internet service providers</p> <p>The Administration's response that –</p> <p>(a) EDB had reserved \$25 million for the purpose, and it would not rule out the need to seek additional funding if necessary; and</p> <p>(b) successful applicants who were currently subscribing to non-designated Internet service providers could start the one-year free plan offered by the designated Internet service providers before the end of the CRP, upon expiry or termination of existing contracts</p>	
002804 – 003618	Mr LEE Cheuk-yan Administration Chairman	Views of Mr LEE Cheuk-yan that Internet access was a basic need for children and should therefore be covered under the CSSA Scheme	
003619 – 003948	Mr CHEUNG Kwok-che Administration	<p>Enquiries on the publicity and application period of CRP</p> <p>The Administration's response that –</p> <p>(a) letters on CRP had been sent to schools for distributing to all students; and</p> <p>(b) eligible students could apply for CRP anytime during the two-year period</p>	
003949 – 004301	Mr LEUNG Yiu-chung Chairman Administration	<p>Concerns about the arrangements for applicants whose residing districts were not served by the designated Internet service providers</p> <p>The Administration's response that it did not have information on the districts which were not covered by the designated Internet service providers. If there were such cases, it would try its best to solve the problem by other technologies or by providing the service through another service provider.</p>	
004302 – 004513	Chairman Administration	The Administration was requested to start the review of CRP before the end of two-year programme so that CRP would be provided for needy students without interruption	Admin to consider
<i>Agenda item II – Disregarded earnings arrangements under the CSSA Scheme</i>			
004514 – 004806	Chairman Administration	Provision of disregarded earnings (DE) under the CSSA Scheme	
004807 – 005754	Mr LEE Cheuk-yan Administration	Eligibility criteria for low-income CSSA cases and the rationale for not abolishing the "no DE for the first two months" rule	
005755 – 010234	Mr CHEUNG Kwok-che Administration	Calculation of assistance payable to CSSA families under the current DE arrangements	
010235 – 010910	Mr LEUNG Yiu-chung Administration Chairman	Need for conducting regular review of DE arrangements and request to start the next round of review as early as practicable	

Time marker	Speaker(s)	Subject(s)	Action required
010911 – 011706	Mr LEE Cheuk-yan Chairman Administration	Views of Mr LEE Cheuk-yan that the "no DE for the first two months" rule was at variance with the objective of providing DE, i.e. encouraged those CSSA recipients who could work to find and remain in employment The Administration's response that the provision of DE was only one of the measures introduced to encourage and assist CSSA recipients to move towards self reliance. Other measures such as the Active Employment Assistance Programme and the Community Work Programme had also been put in place to enhance the employability of CSSA recipients	
011707 – 012408	Mr LEUNG Yiu-chung Administration Chairman	Justifications for raising the "no-deduction" limit for DE from \$600 to \$800 The Administration's response that the proposal had struck a balance between providing CSSA recipients with financial incentives through the provision of DE to find and remain in employment and maintaining DE at a level which would not become a disincentive for employable recipients to leave the CSSA net	
012409 – 012649	Mr TAM Yiu-chung Administration	Views of Mr TAM Yiu-chung that further relaxation of the DE arrangements could provide incentives for CSSA recipients to find and remain in employment	
012650 – 013144	Mr CHEUNG Kwok-che Administration Chairman	Views of Mr CHEUNG Kwok-che that a new category of unemployment assistance should be introduced Whether low-income earners could apply for CSSA	
<i>Agenda item III – Improvement measures to residential care services for the elderly under the 2009-2010 Budget initiatives</i>			
013145 – 013622	Chairman Administration	Measures to enhance residential care services for the elderly as detailed in the Administration's paper	
013623 – 014328	Mr TAM Yiu-chung Administration	Concerns about the waiting time for subsidised residential care homes for the elderly (RCHEs) places and enhanced home and community care services (EHCCS) The Administration's response that – (a) contract RCHEs, which provided both care-and-attention (C&A) places and nursing home (NH) places, enabled elders to continue to stay in the same home when their health deteriorated to a level that required nursing care. The Government would continue to identify suitable sites for the construction of new contract RCHEs; and (b) an additional 810 places have been provided under EHCCS. Upon full operation, the average waiting time for the services would be shortened from 2.9 months to less than two months	
014329 – 014921	Mr LEE Cheuk-yan Administration Chairman	Whether the Labour and Welfare Bureau (LWB) had put forward proposals to create jobs amidst the financial tsunami through purchasing additional subsidised places	

Time marker	Speaker(s)	Subject(s)	Action required
		<p>from private RCHEs under the Enhanced Bought Place Scheme</p> <p>The Administration's response that an additional 500 subsidised places would be purchased under EBPS in 2009-2010 and an additional 150 subsidised residential care places would be provided in two newly built contract RCHEs. About 440 job opportunities could be created in this regard</p> <p>Mr LEE Cheuk-yan expressed regret that LWB had not created additional jobs through increasing the residential care places amidst the financial tsunami</p>	
014922 – 020010	Mr LEUNG Yiu-chung Administration Chairman	<p>Request for stipulating maximum working hours and minimum wage for RCHE staff in the EBPS contracts to improve quality of RCHEs and create jobs, and providing more places in the two new contract RCHEs and suggestion on converting vacant school sites into RCHEs</p> <p>The Administration's response that –</p> <p>(a) private RCHEs participating in EBPS were required to meet the enhanced standards on staffing and bed spacing requirements, at present there were no prescribed working hours and wage levels;</p> <p>(b) the height of RCHEs was restricted to 24 metres in the light of the fire safety requirements; and</p> <p>(c) SWD had from time to time liaised with other departments with a view to identifying appropriate sites for constructing new RCHEs. It was worth noting that some vacant sites were only temporarily available for three to five years, thereby were not suitable for the development of RCHEs</p>	
020011 – 020554	Mr CHEUNG Kwok-che Chairman Administration	The Administration was urged to discuss with the Fire Services Department the viability of relaxing the height restriction in respect of the premises in which RCHEs were accommodated so that more RCHE places could be provided	Admin
020555 – 020814	Chairman Administration	<p>Progress of the consultancy study led by the Elderly Commission, which was expected to be completed by the second quarter of 2009</p> <p>The Chairman expressed regret for the delay in completing the consultancy study as it was originally scheduled for completion by the first quarter of 2009</p>	
020815 – 021344	Administration Mr LEE Cheuk-yan Chairman	Operation mode of contract RCHEs and selection criteria for awarding the contracts	
021345 – 021550	Chairman Mr LEE Cheuk-yan	Proposal to conduct an overseas duty visit by the Subcommittee	LegCo Secretariat

Time marker	Speaker(s)	Subject(s)	Action required
021551 – 021947	Chairman Mr CHEUNG Kwok-che Mr LEE Cheuk-yan Mr LEUNG Yiu-chung	Discussion items for the next meeting	

Council Business Division 2
Legislative Council Secretariat
6 May 2009