

立法會
Legislative Council

LC Paper No. CB(2)1195/09-10(06)

Ref : CB2/PL/WS

Panel on Welfare Services

**Background brief prepared by the Legislative Council Secretariat
for the meeting on 12 April 2010**

Additional provision for social security recipients

Purpose

This paper summarises past discussions by the Panel on Welfare Services (the Panel) on the Administration's one-off relief measures to provide recipients of Comprehensive Social Security Assistance (CSSA) and Social Security Allowance (SSA) with an additional payment.

One-off measures to provide additional payments to CSSA and SSA recipients

2007-2008 financial year

2. The Financial Secretary (FS) proposed when delivering the 2007-2008 Budget Speech on 28 February 2007 the provision of one additional month of standard rate payments for CSSA recipients and one additional month of allowance for SSA (comprising Old Age Allowance (OAA) and Disability Allowance (DA)) recipients. The additional payments were disbursed on 30 May 2007.

2008-2009 financial year

3. To share the fruits of the economic prosperity, FS announced in the 2008-2009 Budget the proposal to provide social security recipients with one additional month of CSSA standard rate payments and one additional month of DA. The Administration also proposed to provide each OAA recipient with a one-off grant of \$3,000. The additional payments were effected in June 2008.

4. To ease the impact of rising prices on CSSA households, the Administration also proposed to adjust the CSSA standard rates in accordance

with the existing mechanism¹ ahead of the normal annual adjustment cycle in 2008-2009. Following the approval of the Finance Committee (FC), the CSSA standard rates were increased by 4.4% with effect from 1 August 2008.

5. During the Question and Answer Session at the Legislative Council on 16 July 2008, the Chief Executive announced a package of relief measures, one of which was to provide one additional month of the standard rate payments for CSSA recipients, one additional month of allowance for DA recipients, and two additional months of allowance for OAA recipients. The additional payments were effected in September 2008.

2009-2010 financial year

6. On 26 May 2009, FS announced a package of additional relief measures which included, among other things, the provision of one additional month of the standard rate payments for CSSA recipients and one additional month of allowance for SSA (comprising OAA and DA) recipients. According to the Administration, this one-off measure was proposed in consideration of the profound impact of the financial turmoil and that many at the grassroots level were also affected. The additional payments were effected in September 2009.

Deliberations by the Panel

7. The Panel was briefed on 30 March 2007, 17 March 2008 and 8 June 2009 on the Administration's proposals to provide one-off relief measures to recipients of CSSA and SSA which required funding support from FC.

8. While expressing support for additional relief measures for the disadvantaged, some members were concerned about the long-term effectiveness of the proposed one-off measures to assist CSSA and SSA recipients. These members were of the view that the Administration should consider adjusting upwards the CSSA payment levels if it was proven that the current payment levels were inadequate for the recipients at times of high inflation and economic downturn. These members strongly requested the Administration to conduct a comprehensive review of the CSSA and SSA payment rates.

9. The Administration advised that the proposed additional payment was a one-off relief measure. The decision to provide additional one-off payments in the past years was based on individual circumstances on each occasion. The introduction of the one-off relief measure was to ease the impacts of the financial turmoil on CSSA and SSA recipients. This did not mean that the Administration considered that the existing CSSA and SSA payment rates

¹ The CSSA payment rates are adjusted annually in February taking into account the movement of the Social Security Assistance Index of Prices (SSAIP) in the past 12 months. SSAIP is compiled by the Census and Statistics Department to measure inflation according to the expenditure pattern of CSSA households.

inadequate. The standard rates of CSS and SSA would continue to be reviewed annually in accordance with the established adjustment mechanism.

10. Some members also raised concern that the one-off relief measure could not provide immediate and direct assistance to the low-income group and unemployed, who did not benefit from the package of relief measures but were the most severely affected group under the financial turmoil. These members considered that the Administration should provide concrete assistance, such as unemployment subsidy, to the unemployed.

11. Members were advised that the main focus of the Administration's measures to tackle the economic downturn was to preserve jobs. In this respect, the Labour Department had launched a series of measures to strengthen employment assistance and support. Members were further advised that CSSA was not the only source of assistance available for those in need. Where there were proven needs, other forms of assistance, such as emergency relief, temporary cash grants from charitable trust funds and assistance in kind were available. Social Welfare Department staff would, having regard to individual circumstances, render appropriate assistance to those in need.

Latest development

12. FS announced in the 2010-2011 Budget a series of one-off measures which include, among other things, the provision of one additional month of the standard rate payments for CSSA recipients and one additional month of allowance for OAA and DA recipients. The Administration will brief the Panel on the funding proposal on 12 April 2010 before seeking the approval of FC.

Relevant papers

13. Members may wish to refer to the Administration's papers for the meetings of the Panel on 30 March 2007, 17 March 2008 and 8 June 2009, and the relevant minutes of meetings for details.