

立法會
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Panel on Welfare Services

Subcommittee on Poverty Alleviation

**Minutes of the 12th meeting
held on Monday, 31 May 2010, at 2:30 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 CHEUNG Kwok-che
Hon WONG Kwok-kin, BBS
Hon IP Wai-ming, MH
Hon Alan LEONG Kah-kit, SC

Members absent : Hon TAM Yiu-chung, GBS, JP
Hon Ronny TONG Ka-wah, SC
Hon WONG Sing-chi
Hon LEUNG Kwok-hung

Member attending : Dr Hon PAN Pey-chyou

Public Officers attending : Item I

Mr Franco KWOK Wai-fan
Principal Assistant Secretary for Labour and Welfare (Poverty)

Ms Reddy NG Wai-lan
Principal 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 : Ms Yvonne YU
Senior Council Secretary (2) 5

Miss Maggie CHIU
Legislative Assistant (2) 4

Action

I. Update on life-cycle-based poverty indicators for January to September 2009

[LC Paper Nos. CB(2)2480/08-09(01) and CB(2)1518/09-10(01)]

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

2. Principal Assistant Secretary for Labour and Welfare (Poverty) ("PAS/LW(P)") said that in response to members' request, the Administration had provided an update on the life-cycle-based poverty indicators for January to September 2009 as detailed in its paper.

3. Mr CHEUNG Kwok-che, Mr Alan LEONG and Mr LEE Cheuk-yan noted with concern that the number of persons aged 0 to 59 living in households with income below average Comprehensive Social Security Assistance ("CSSA") payment had significantly increased in January to September 2009 as compared with the annual figure of 2008. In the light of the increasing number of working-poor households, these members held the view that the Administration should implement targeted measures to create job opportunities and help these families.

4. Mr Alan LEONG expressed concern about the poor performance of the 18 life-cycle-based poverty indicators for January to September 2009. He took the view that the Administration should formulate long-term policies to alleviate the poverty problem, and set performance targets for reducing poverty.

5. Mr LEUNG Yiu-chung held the view that the Administration should take a proactive role in poverty alleviation and consider introducing some forms of income subsidy to enable the low-income families to attain an acceptable standard of living.

6. Dr PAN Pey-chyou and the Chairman expressed grave concern about the medical and housing needs of the elderly having regard to the poor performance of indicators relating to older people aged 60 or above in January to September 2009.

Action

7. PAS/LW(P) and Principal Economist (4), Economic Analysis and Business Facilitation Unit, Financial Secretary's Office ("PE(4)/FSO") made the following responses -

- (a) the onset of the global financial crisis in September 2008 and the ensuing recession had led to a distinct worsening in employment and income conditions in 2009, which severely disrupted the trend of improvement in poverty situation between 2003 and 2008. The deterioration in some of the poverty indicators in January to September 2009 as compared to the whole 2008 was mainly the result of fall-off in employment and earnings/income in the after shock of the global crisis;
- (b) while Hong Kong was in the early stage of economic recovery, the impact of the financial tsunami on many people was not yet over. The Financial Secretary had therefore announced a series of one-off measures in the 2010-2011 Budget. Since 2008, the Administration had introduced fiscal stimulus, job creation and relief measures amounting to \$110 billion;
- (c) the Administration had adopted a pragmatic approach to assist the socially disadvantaged;
- (d) the Administration considered that the key to tackling poverty lay in promoting economic growth, thereby creating more job opportunities. In tandem, it provided training and retraining opportunities to raise the competitiveness and skills of the workforce;
- (e) various district-based measures to assist the disadvantaged had been carried out over the years. For instance, the Home Affairs Department had launched the Enhancing Self-Reliance Through District Partnership Programme which supported a number of social enterprise projects. The launch of the "Operation Building Bright" project also created job opportunities and promoted local economy;
- (f) as the poverty situation was attributable to various factors, such as the economic environment, it would be very difficult to set any target to reduce poverty. Nevertheless, the 24 multi-dimensional indicators would provide the basis for different bureaux and departments in formulation and evaluation of policies to assist the needy;

Action

- (g) the 24 multi-dimensional poverty indicators provided useful reference for the Government to identify the needs of different disadvantaged groups and people across different districts and to provide support for the formulation and evaluation of policies to assist the needy. This apart, the CSSA Scheme had been in place to provide a safety net for those who could not support themselves financially. The Government also provided a wide range of free or highly subsidised services in the areas of welfare, housing, healthcare and education; and
- (h) the Administration attached great importance to the housing and caring needs of the elderly. The launch of the three-year Elderly Health Care Voucher Pilot Scheme in 2008-2009 aimed to meet the specific medical needs of the elderly. In addition to increasing the supply of subsidised residential care places for the elderly, it would also further develop community care services to help the elderly age in place. To cater for the housing needs of the elderly, the Hong Kong Housing Authority had been giving priority allocation of public rental housing flats to the elderly applicants.

Admin

- 8. At the request of Mr LEE Cheuk-yan, PE(4)/FSO agreed to provide a breakdown of households with income below average CSSA payment and workless households by household size.

II. Draft report of the Subcommittee

- 9. The Chairman said that the Subcommittee would submit its report to the Panel on Welfare Services on 14 June 2010 seeking the agreement of the Panel and the House Committee for priority allocation of a debate slot to the Chairman of the Subcommittee under House Rule 14A(h) for moving a motion on the Subcommittee's report at a Council meeting in this session.

III. Any other business

- 10. There being no other business, the meeting ended at 3:45 pm.

**Proceedings of the 12th meeting of the
Subcommittee on Poverty Alleviation
on Monday, 31 May 2010, at 2:30 pm
in Conference Room A of the Legislative Council Building**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda item 1 – Update on life-cycle-based poverty indicators for January to September 2009</i>			
000000 - 000413	Chairman Administration	Briefing by Administration on the update on the life-cycle-based poverty indicators for January to September 2009 [LC Paper No. CB(2)1518/09-10(01)]	
000414 - 001524	Chairman Mr CHEUNG Kwok-che Administration	<p>Mr CHEUNG Kwok-che's concern about the specific measures in place to assist the working poor households, having regard to the significant increase in the number of persons aged 15-59 living in households with income below average Comprehensive Social Security Assistance ("CSSA") payment over the period of January to September 2009 as compared with the annual figure in 2008</p> <p>The Administration's response -</p> <p>(a) the onset of the global financial crisis in September 2008 and the ensuing recession had led to a distinct worsening in employment and income conditions in 2009, which severely disrupted the trend of improvement in poverty situation between 2003 and 2008. The deterioration in some of the poverty indicators in January to September 2009 as compared to the whole 2008 was mainly the result of fall-off in employment and earnings/income in the after shock of the global crisis;</p> <p>(b) while Hong Kong was in the early stage of economic recovery, the impact of the financial tsunami on many people was not yet over. The Financial Secretary ("FS") had therefore announced a series of one-off measures in the 2010-2011 Budget. Since 2008, the Administration had introduced fiscal stimulus, job creation and relief measures amounting to \$110 billion;</p> <p>(c) it had adopted a pragmatic approach to assist the socially disadvantaged. The Administration considered that the key to tackling poverty lay in promoting economic growth, thereby creating more job opportunities. In tandem, it provided training and retraining opportunities to raise the competitiveness and skills of the workforce; and</p> <p>(d) various district-based measures to assist the disadvantaged had been carried out over the years. For instance, the Home Affairs Department had launched the Enhancing Self-Reliance Through District Partnership Programme which supported a number of social enterprise projects. The launch of the "Operation Building Bright" project also created job opportunities and promoted local economy</p>	

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001525 - 002317	Chairman Mr Alan LEONG Administration	<p>Issues raised by Mr Alan LEONG -</p> <p>(a) he was particularly concerned about the poor performance of the indicators showing persons living in households with income below average CSSA payment;</p> <p>(b) whether the Administration would formulate an overall strategy to alleviate the poverty problem, and set performance targets for reducing poverty; and</p> <p>(c) given that the Administration took over one year to update the performance of the life-cycle-based poverty indicators for the first three quarters in 2009, he expressed reservation about the effectiveness of the belated figures in formulating timely specific measures to tackle the poverty situation</p> <p>The Administration's response -</p> <p>(a) although it would take time to collect data, in particular those statistics by districts, for compiling the 24 poverty indicators, the Administration was mindful of the less optimistic situation in 2009 after the onset of the global financial crisis. As a matter of fact, apart from the poverty indicators, the Administration had made reference to the latest unemployment rates and economic indicators to monitor the latest poverty situation and identify the needs of the disadvantaged groups. In the face of the severe financial crisis, the Government implemented the strategy of "stabilising the financial system, supporting enterprises and preserving employment" in the shortest possible time. Although the performance of poverty indicators for 2009 had not yet been available when FS delivered his 2010-2011 Budget, he had introduced a series of one-off measures to ease the impact of financial tsunami on the needy; and</p> <p>(b) as the poverty situation was attributable to various factors, such as the economic environment, it would be very difficult to set any targets to reduce poverty. Nevertheless, the 24 multi-dimensional indicators would provide the basis for different bureaux and departments in formulation and evaluation of policies to assist the needy</p>	
002318 - 003226	Mr LEE Cheuk-yan Administration Chairman	<p>Issues raised by Mr LEE Cheuk-yan -</p> <p>(a) noting that the number of persons living in households with income below average CSSA payment recorded an increase of 131 900 persons in the first three quarters of 2009 as compared with the annual figure in 2008, he enquired about the targeted alleviation measures to help the working-poor families; and</p> <p>(b) request for a breakdown of number of households with income below average CSSA payment and workless households by household size</p>	Admin

Time marker	Speaker(s)	Subject(s)	Action required
		<p>The Administration's advice that the performance of the poverty indicators for January to September 2009 had not fully reflected the economic recovery from the recession. FS had proposed in the 2010-2011 Budget a series of one-off measures to ease the impact of financial tsunami on the disadvantaged and the low-income families</p>	
003227 - 004104	Mr LEUNG Yiu-chung Administration	<p>Mr LEUNG Yin-chung's view that the Administration should take a more proactive role in alleviating the poverty situation. The Administration should consider introducing some forms of income subsidy to enable the low-income families to attain an acceptable standard of living</p> <p>The Administration's response that the 24 multi-dimensional poverty indicators provided useful reference for the Government to identify the needs of different disadvantaged groups and people across different districts and to provide support for the formulation and evaluation of policies to assist the needy. This apart, the CSSA Scheme had been in place to provide a safety net for those who could not support themselves financially. The Government also provided a wide range of free or highly subsidised services in the areas of welfare, housing, healthcare and education</p>	
004105 - 004617	Dr PAN Pey-chyou Administration Chairman	<p>Dr PAN Pey-chyou's view that the poverty indicator showing the number of elderly patients under the medical fee waiver mechanism of public hospitals and clinics had underestimated the actual demand of such services as the stringent approving criteria had deterred the needy elders from submitting applications for fee waiver. He appealed to the Administration to actively study the needs of poor elders</p> <p>The Administration's response -</p> <p>(a) three life-cycle-based poverty indicators were adopted to identify the needs of older people. Apart from elderly patients under the medical fee waiver mechanism of public hospitals and clinics, it would also make reference to the performance of those indicators showing the number of recipients of old-age CSSA and elderly persons living in private temporary housing and private shared units; and</p> <p>(b) the launch of the three-year Elderly Health Care Voucher Pilot Scheme in 2008-2009 aimed to meet the specific medical needs of the elderly. The Food and Health Bureau would conduct a mid-term review of the pilot scheme later this year, and would revert to the relevant Panel subject to the review findings</p>	
004618 - 005224	Chairman Administration	<p>The Chairman's enquiry about the reasons for an increase of the number of elderly aged 60 or above living in private temporary housing and private shared units and the measures put in place to address the housing needs of the elderly, in particular the singleton elderly</p>	

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		<p>The Administration's response -</p> <p>(a) the overall trend of the number of elderly living in private temporary housing and private shared units was decreasing in the past years. The increase in the number of elderly living in such housing in January to September 2009 was corresponding with the pattern of economic downturn in the period; and</p> <p>(b) the Administration attached great importance to the housing and caring needs of the elderly. Apart from increasing the supply of subsidised residential care places for the elderly, the Administration would also further develop community care services to help the elderly age in place. To cater for the housing needs of the elderly, the Hong Kong Housing Authority had been giving priority allocation of public rental housing flats to the elderly applicants</p>	
005225 - 010121	Mr CHEUNG Kwok-che Administration	Mr CHEUNG Kwok-che's view that the Administration was over reliance on economic growth in tackling poverty. Instead, the Administration should take a more proactive role in collaborating cross-sectoral efforts and encouraging district organisations to apply for the Partnership Fund for the Disadvantaged and the Community and Investment Inclusion Fund to carry out special initiatives to promote local economy and create job opportunities for the disadvantaged at the district level	
010122 - 011013	Mr IP Wai-ming Administration	<p>Mr IP Wai-ming held the view that the Administration should draw up long-term strategy to solve the unemployment problem and enhance the competitiveness of the working-poor employees, with a view to alleviating the poverty problem</p> <p>The Administration's reiteration that the key to tackling poverty lay in promoting economic growth, thereby creating more job opportunities as well as the multi-pronged approach to tackle poverty</p>	
011014 - 011125	Chairman	Submitting the Subcommittee's report to the Panel on Welfare Services on 14 June 2010	