

The Legislative Council Meeting on 10 November 2010
Motion on “Work Incentive Transport Subsidy Scheme”

Progress Report

At the Legislative Council (LegCo) Meeting held on 10 November 2010, the motion on “Work Incentive Transport Subsidy Scheme” moved by Dr Hon PAN Pey-chyou and amended by Hon WONG Sing-chi and Hon IP Kwok-him was carried. The wording of the motion is at Annex. This is a report on the follow-up action taken by the Administration.

2. The Work Incentive Transport Subsidy Scheme (the Scheme) aims at helping employed members of low-income households reduce the burden of home-to-work travelling expenses, and encouraging them to stay in employment. We briefed the Legislative Council (LegCo) Panel on Manpower on 16 December 2010 and 17 February 2011 on the details of the Scheme and the enhanced proposal respectively. The LegCo Finance Committee (FC) approved the funding application for the Scheme on 25 February 2011. The details of the Scheme are set out in the FC paper FCR(2010-11)60 and FCR(2010-11)60A.

3. The Labour Department has started the preparatory work with a view to receiving applications from October this year onwards.

Labour and Welfare Bureau
March 2011

(Translation)

**Motion on
“Work Incentive Transport Subsidy Scheme”
moved by Dr Hon PAN Pey-chyou
at the Legislative Council meeting
of Wednesday, 10 November 2010**

Motion as amended by Hon WONG Sing-chi and Hon IP Kwok-him

That, travelling expenses are an item of daily expenses borne by the vast number of employees and job-seekers in Hong Kong, and in order to relieve the burden of travelling expenses on low-income employees and encourage them to stay in employment, the Chief Executive has put forward the ‘Work Incentive Transport Subsidy Scheme’ (‘WITSS’) in the 2010-11 Policy Address for application by all eligible employees in Hong Kong, and the Scheme will replace the ‘Transport Support Scheme’ (‘TSS’); given that the existing TSS still has deficiencies resulting in some low-income workers not being benefitted, this Council urges the Government to adopt the following criteria in formulating the specific details and eligibility requirements for WITSS, so as to enable a greater number of grassroot workers to receive assistance:

- (a) the ceiling of the total value of applicants’ personal assets should be set at a level higher than the \$44,000 under the existing TSS;
- (b) the ceiling of applicants’ monthly income should be set at a level higher than the \$6,500 under the existing TSS;
- (c) the amount of allowance for eligible persons should be calculated on the basis of 72 hours of work in every four weeks, and people who work less than 72 hours in every four weeks may also receive the allowance pro rata according to the actual number of working hours, with a view to benefiting part-time employees;
- (d) no application deadline should be set for the allowance;
- (e) a mechanism should be established for regular reviews and periodic adjustments of the ceiling of the total value of personal assets, the ceiling of monthly income and the amount of allowance prescribed under WITSS; and
- (f) the Job Search Allowance provided under the existing TSS should continue to be included in the new WITSS; the eligibility requirements for applicants for the Job Search Allowance will not be tightened, and the ceiling of reimbursement will also not be lowered; and
- (g) the procedures for vetting and approving applications under the new Scheme should be further streamlined, and the vetting and approval process be expedited and the relevant administrative costs reduced.