

(Translation)

**Motion on
“Reviewing the coverage of the safety net”
moved by Hon Miriam LAU Kin-ye
at the Legislative Council meeting commencing
on Wednesday, 17 November 2010**

Motion as amended by Hon LEE Cheuk-yan, Hon IP Wai-ming, Hon James TO Kun-sun, Hon Ronny TONG Ka-wah, Hon CHEUNG Kwok-che, Hon CHAN Kin-por and Hon Frederick FUNG Kin-kee

That, this Council opines that ‘rich Government but poor people’ is one of the deep-rooted conflicts in Hong Kong, and as the Government has adopted a conservative fiscal policy for years, surpluses exceeding the expected levels were often recorded in the past; in addition, since the Exchange Fund had recorded a huge profit of \$74.1 billion in the third quarter of this year, the accumulated surplus for the first nine months of the year increased by \$42 billion, and given the substantial proceeds from land auctions this year, the chance of the Treasury continuing to be ‘flooded by cash’ has become much greater, yet not only are some grassroots unable to enjoy the fruit of economic development, but they are also unable to benefit from the social security system, resulting in cases of ‘falling through the net’; in this connection, this Council proposes that the Administration should identify loopholes in the existing safety net, appropriately extend the safety net to cover more grassroots of different types, and strengthen the support to assist grassroots in climbing up the social ladder and sharing the fruit of economic development, thereby easing class conflicts and promoting social harmony; the relevant measures should include:

- (a) to strengthen the support for the working poor, including removing the stigma attached to the low-income recipients of Comprehensive Social Security Assistance (‘CSSA’), lower the threshold of application, and provide such recipients with a ‘low-income living supplement’, so as to alleviate their conditions of poverty; in the long run, the Government should establish a system of ‘Negative Income Tax’, so as to benefit a greater number of working-poor households;
- (b) to set up savings accounts for CSSA recipients with job income, and deposit into such accounts the whole or part of the amounts deducted from their CSSA for reasons of ‘assessable income’, so that when such recipients get out of the CSSA net due to income improvements or as a result of their accounts having accumulated a prescribed amount, they can have a substantial amount of savings, so as to increase their sense of financial security and reduce their chances of falling back into the CSSA net;

- (c) to comprehensively strengthen the in-service training for the middle-aged, increase the number of retraining places, and raise the subsidies for continuing education;
- (d) through promoting the local community economy, developing the six industries with competitive edge and positively supporting the development of social enterprises, to create more jobs suitable for grassroots workers;
- (e) to comprehensively strengthen child care and after-school care services to enable parents of low-income families to work without worries, and proactively cater for the needs of grassroots children, including providing additional subsidies for extracurricular activities;
- (f) to actively assist poor families living in cage homes or cubicle apartments in improving their living environment;
- (g) to strengthen the employment counselling services for young people waiting for employment;
- (h) to further relax the absence limit in respect of Old Age Allowance and CSSA for the elderly, increase the amount of Elderly Healthcare Vouchers to at least \$1,000 a year, and provide needy elderly persons with a living supplement, so as to improve the life of the elderly in their twilight years;
- (i) to immediately study the establishment of a universal retirement protection system, so as to provide instant benefits to all elderly persons in Hong Kong; and
- (j) to expeditiously increase the number of residential care places for the elderly and provide them with elderly care vouchers, so as to enable elderly persons waiting for residential care services to choose those elderly services that suit them, and provide allowances to carers of elderly persons in the communities;
- (k) focusing on the unemployed and poor people, the Government should formulate a poverty line, so as to get a grasp of the poverty situation in Hong Kong, and provide the unemployed with unemployment assistance, with a view to assisting them in coping with their financial difficulties;
- (l) through promoting the local cultural economy, to maintain the competitive edge of the four existing major economic pillars;
- (m) to formulate a timetable for completely abolishing cage homes;
- (n) to put in place a modern apprenticeship system;

- (o) to increase the amount of Disability Allowance received by indigent persons with disabilities, so that persons with disabilities living in the community can afford appropriate care and assistance; and
- (p) to expand the coverage of Samaritan Fund, and follow the example of 'Medifund' in Singapore to offer ultimate support to persons who are unable to pay medical charges, so that they can receive timely and necessary treatment; and
- (q) to introduce more generous measures for persons living in cage homes, cubicle apartments or en suite units to assist them in securing public rental housing allocation more expeditiously;
- (r) to abolish the system of requiring children to sign a 'declaration of not providing support to parents' (commonly known as a 'bad son statement'), so that elderly persons with financial difficulties who live with their children may also apply for CSSA independently and have support and security in their twilight years; and
- (s) to reinstate the mode of formulating long-term social welfare planning every five years, so that social welfare services can be effectively delivered to really benefit needy persons;
- (t) to establish an emergency unemployment relief fund to provide the unemployed with transitional financial assistance;
- (u) to expedite the construction of public rental housing units;
- (v) to establish a chronic disease allowance as a supplement to needy chronic patients for purchasing medicine, medical supplies and auxiliary aids and employing home care workers, etc.; and
- (w) to establish a long-term care allowance to provide assistance for elderly persons requiring long-term care in purchasing residential care and day care services, or providing subsidies to their carers; and
- (x) when establishing a universal retirement protection system, to also set making up for the inadequacies of the Mandatory Provident Fund Scheme as an objective; and
- (y) to re-establish the Commission on Poverty to formulate indicators on the population of the poor.