

立法會
Legislative Council

LC Paper No. CB(2)1621/12-13

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Subcommittee on Poverty

**Minutes of the seventh meeting
held on Wednesday, 8 May 2013, at 8:30 am
in Conference Room 3 of the Legislative Council Complex**

Members present : Hon Frederick FUNG Kin-kee, SBS, JP (Chairman)
Dr Hon Fernando CHEUNG Chiu-hung (Deputy Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Hon LEUNG Yiu-chung
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, GBS, JP
Hon CHAN Kin-por, BBS, JP
Dr Hon Priscilla LEUNG Mei-fun, SBS, JP
Hon CHEUNG Kwok-che
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon WONG Yuk-man
Hon Frankie YICK Chi-ming
Hon Charles Peter MOK
Hon CHAN Chi-chuen
Hon CHAN Yuen-han, SBS, JP
Hon LEUNG Che-cheung, BBS, MH, JP
Dr Hon KWOK Ka-ki
Hon KWOK Wai-keung
Hon TANG Ka-piu

Members absent : Hon Ronny TONG Ka-wah, SC

**Public Officers : Item I
attending**

Mr Mathew CHEUNG, GBS, JP
Secretary for Labour and Welfare
Labour and Welfare Bureau

Ms Jane LEE
Principal Assistant Secretary for Labour and Welfare
(Poverty)
Labour and Welfare Bureau

Ms Reddy NG, JP
Principal Economist (5)
Economic Analysis and Business Facilitation Unit
Financial Secretary's Office

Item II

Mr Mathew CHEUNG, GBS, JP
Secretary for Labour and Welfare
Labour and Welfare Bureau

Mr Stephen SUI
Commissioner for Rehabilitation
Labour and Welfare Bureau

Ms Jane LEE
Principal Assistant Secretary for Labour and Welfare
(Poverty)
Labour and Welfare Bureau

Ms IP Ling-bik
Principal Assistant Secretary
(Education Commission and Planning)
Education Bureau

Miss Dora FU, JP
Assistant Director of Home Affairs (3)
Home Affairs Department

Mrs Tonia LEUNG, JP
Assistant Commissioner of Labour
(Employment Services)
Labour Department

Mr LAM Ka-tai
Assistant Director of Social Welfare
(Rehabilitation and Medical Social Services)
Social Welfare Department

Mr FUNG Man-chung
Assistant Director of Social Welfare
(Family and Child Welfare)
Social Welfare Department

Clerk in attendance : Mr Colin CHUI
Chief Council Secretary (2) 4

Staff in attendance : Ms Catherina YU
Senior Council Secretary (2) 4

Ms Ivy CHENG
Research Officer (2) 2

Miss Maggie CHIU
Legislative Assistant (2) 4

Action

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

I. Poverty line

[LC Paper Nos. CB(2)1026/12-13(01) to (02), CB(2)1090/12-13(01) and IN19/12-13]

2. The Subcommittee passed the following motion moved by Dr Fernando CHEUNG –

"訂立貧窮線的最終目的，應該是幫助市民脫貧及改

Action

善生活質素，而非隱藏貧窮問題。本小組委員會認為把貧窮線訂在住戶入息中位數的50%是偏低的，亦不贊成把公屋福利轉化為現金入息的一部分來計算貧窮線。本小組委員會又認為，應該以可動用入息的概念，訂立基本生活保障線，以達至扶貧及脫貧目的。 "

(Translation)

"That the poverty line should be set with the ultimate goal of helping members of the public get out of poverty and improving their quality of living, instead of hiding the problem of poverty. This Subcommittee considers that a poverty line set at 50% of the median household income is too low, and does not support incorporating public housing benefits as part of the cash income in the calculation of the poverty line. This Subcommittee further considers that the concept of disposable income should be employed to set the subsistence living protection line for the purposes of alleviating and eliminating poverty."

II. Support for disadvantaged groups such as persons with disabilities, ethnic minorities, new-arrivals and single-parent families

[LC Paper Nos. CB(2)823/12-13(03) to (04)]

3. The Subcommittee requested the Administration to provide –
 - (a) the number of ethnic minority ("EM") students who did not meet the entry requirements of public examinations for tertiary education and the difficulties they encountered in this regard;
 - (b) information on language policies for university admission and civil servant recruitment, including the recruitment of disciplined service posts;
 - (c) the scope and progress of the latest review of the requirements for Chinese proficiency for civil service posts and, if the review had been completed, the results thereof; and
 - (d) a breakdown of the number of successful and unsuccessful EM applicants for civil service posts before and after the review mentioned in (c) above.

Action

III. Any other business

[LC Paper No. CB(2)1090/12-13(02)]

4. Members agreed that the following subjects should be discussed at the meetings in June and July 2013 –

Meeting of 17 June 2013

- (a) Relationship between education and poverty; and
- (b) Support for persons with disabilities and ethnic minorities

Meeting of 8 July 2013

- (a) Relationship between education and poverty; and
- (b) Support for new-arrivals and single-parent families

In this connection, the Subcommittee requested the Administration to provide a list of issues which were relevant to the subject of "Relationship between education and poverty" and had or would be discussed by the Commission on Poverty ("CoP") or its Task Forces, with order of priority for discussion, for members' consideration at the next meeting.

5. There being no other business, the meeting ended at 10:45 am.

Council Business Division 2
Legislative Council Secretariat
17 July 2013

**Proceedings of the seventh meeting of the
Subcommittee on Poverty
on Wednesday, 8 May 2013, at 8:30 am
in Conference Room 3 of the Legislative Council Complex**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda item I – Poverty line</i>			
000310 - 001354	Chairman Administration	<p>Opening remarks</p> <p>Briefing by the Administration on its response to issues raised by members at the Subcommittee meeting on 27 April 2013.</p>	
001355 - 001920	Mr CHEUNG Kwok-che Chairman Administration	<p>Mr CHEUNG Kwok-che's view that –</p> <p>(a) the concept of “disposable income” which took into account household expenditure, should be used as it was a more equitable approach. Technical problems in compiling data for disposable income should be resolved rather than regarded as a constrain;</p> <p>(b) median household income ("MHI") could be used to set the poverty line in the interim. A study on disposable income should be conducted with a view to using disposable income to set the poverty line in the long run; and</p> <p>(c) there should be public consultation on the percentage of MHI, be it 50% or 60%, at which the poverty line should be set.</p> <p>The Administration's response that –</p> <p>(a) it had been a common practice, both internationally and locally, to set the poverty line at 50% of MHI;</p> <p>(b) as up-to-date expenditure data which would only be compiled by the Census and Statistics Department every five years, it was impossible to compile poverty statistics on an annual basis for regular monitoring of the effectiveness of policy interventions should disposable income be used to set the poverty line; and</p> <p>(c) changing the basis of setting the poverty line after adopting 50% of MHI would create confusion.</p>	

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001921 - 002436	Mr LEUNG Yiu-chung Chairman Administration	<p>Mr LEUNG Yiu-chung's view that the main objective of setting the poverty line should be improving the quality of living of members of the public. The Administration should therefore set targets in this regard.</p> <p>The Administration's response that the "poverty line", which did not take into account household's asset position, was not a "poverty alleviation line" and was not meant to be linked directly to the eligibility criteria of various means-tested assistance programmes. Poverty alleviation measures would continue to be considered for people in need with income level above the poverty line, provided that they met the means test of the relevant government assistance schemes.</p>	
002437 - 002948	Mr LEE Cheuk-yan Chairman Administration	<p>Mr LEE Cheuk-yan's view and enquiry that –</p> <ul style="list-style-type: none"> (a) the public should have the opportunity to discuss the percentage of MHI at which the poverty line should be set; (b) while MHI could be used to set the main poverty line, disposable income should be used as a reference; and (c) whether the Commission on Poverty ("CoP") was considering the inclusion of public housing benefits in household income. <p>The Administration's response that –</p> <ul style="list-style-type: none"> (a) CoP had discussed whether public housing, as a social transfer, should be counted in the "post-policy intervention household income" and there were different views in this regard. A decision had not been made and CoP would further discuss the subject matter; and (b) the current term Government was committed to poverty alleviation and would not undermine the poverty situation by juggling the figures. <p>Mr LEE's view that –</p> <ul style="list-style-type: none"> (a) incorporating public housing benefits as part of the cash income in the calculation of the poverty line would distort the true picture of the severity of poverty; and (b) disposable income should be used in setting the poverty line as it had reflected the rental 	

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		difference between public housing and private housing, which in effect had taken into account public housing benefits.	
002949 - 003631	Dr Fernando CHEUNG Chairman Administration	<p>Dr Fernando CHEUNG's view that –</p> <ul style="list-style-type: none"> (a) non-cash based social welfare benefits, including public housing benefits, should not be counted as income as it would significantly reduce the poverty-stricken population; (b) given the ageing population, the individual median income as at the fourth quarter of 2012 was \$3,650 which was lower than the average monthly Comprehensive Social Security Assistance ("CSSA") payment for a one-person household of \$4,351. The Administration should take measures to address the difference; and (c) the poverty line, if set at 50% of MHI, would be far below the average monthly CSSA payment for a one-person household, which was generally considered as the minimum subsistence level. The Administration should provide justifications on setting the poverty line below the minimum subsistence level. <p>The Administration's response that setting the main poverty line at half of MHI had its limitations but could better serve the major functions of the poverty line.</p>	
003632 - 004416	Dr KWOK Ka-ki Chairman Administration	<p>Dr KWOK Ka-ki's enquiry on the reasons for not adopting the common practice of Organisation for Economic Co-operation and Development ("OECD") and European Union, which used disposable income in measuring the poverty.</p> <p>The Administration's explanation that -</p> <ul style="list-style-type: none"> (a) OECD had excluded taxes and social security contributions in measuring disposable income but not expenditure of basic necessities from the household income. Such coverage appeared to be different from that referred by the members ; and (b) subject to availability of data, studies on the impact of disposable income taking into account household expenditure patterns on the impoverished group could be conducted after the setting of the main poverty line. 	

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004417 - 004943	Mr TANG Ka-piu Chairman Administration	<p>Mr TANG Ka-piu's enquiry on –</p> <ul style="list-style-type: none"> (a) new poverty alleviation measures to be implemented by the Administration; (b) whether social welfare assistance, Disability Allowance ("DA") in particular, would be counted in the measurement of income; and (c) whether and when the Work Incentive Transport Subsidy ("WITS") Scheme would be reviewed to become a form of low-income subsidy to complement the setting of the poverty line. <p>The Administration's response that –</p> <ul style="list-style-type: none"> (a) it had to be consistent in handling cash assistance in calculating post-policy intervention household income. Exclusion of a certain kind of cash benefit was inappropriate; and (b) analysis on specific groups under the poverty line would be conducted with a view to considering measures to address their needs. The Administration was open-minded about the idea of low-income supplement. 	
004944 - 005443	Mr LEUNG Che-cheung Chairman Administration	<p>Mr LEUNG Che-cheung's view that the poverty line should be a tool to facilitate the analysis of Hong Kong's poverty situation. At the same time, the Administration should formulate policies targeted at people living below the poverty line. His concern that some needy elders whose asset could not generate any income would not receive assistance because of the means-test requirements under various assistance schemes.</p> <p>The Administration's response that eligible needy elders were covered by the existing social security schemes. After the setting of the poverty line, the Administration would analyse the situation of different needy groups and formulate targeted poverty alleviation initiatives.</p>	
005444 - 005958	Mr LEUNG Kwok-hung Chairman	<p>Mr LEUNG Kwok-hung's view that the Government should have a vision to eliminate poverty. Its policy objective should be helping the needy as much as possible and there should be policies to assist the needy elderly who had assets but were low-income earners.</p>	

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005959 - 010550	Miss CHAN Yuen-han Chairman Administration	Miss CHAN Yuen-han's view that it was pivotal to adopt an approach which would achieve the goal of helping the poor at the outset of setting the poverty line and disposable income should be adopted to measure poverty.	
010551 - 011300	Mr KWOK Wai-keung Chairman Administration	<p>Mr KWOK Wai-keung's view that –</p> <ul style="list-style-type: none"> (a) the setting of the poverty line could not meet the public's expectation if assistance was not provided to all the people living below the poverty line; (b) given the high market rental, housing benefits did not necessarily help improve the living standard of the needy people. Housing benefits should not be counted as income when measuring poverty; and (c) benchmarks at 60% and 70% of MHI should also be set to monitor social mobility. The Administration should review the statutory minimum wage ("SMW") and employment situation when there was an increase in the poverty-stricken population. <p>The Administration's reiteration that it could consider using other percentages of MHI as references after the main poverty line had been set.</p>	
011301 - 011709	Mr CHAN Kin-por Chairman Administration	<p>Mr CHAN Kin-por's view and enquiry that –</p> <ul style="list-style-type: none"> (a) the Administration should use the poverty line as an indicator for reviewing the social welfare schemes; and (b) how the poverty line could strengthen the existing social welfare schemes. <p>The Administration's response that it would conduct detailed analysis on different needy groups and draw up targeted poverty alleviation initiatives.</p>	
011710 - 012207	Mr Albert HO Chairman Administration	<p>Mr Albert HO's view that –</p> <ul style="list-style-type: none"> (a) the concept of relative poverty might not be efficacious in measuring the effectiveness of poverty elimination measures; and (b) the concept of absolute poverty would facilitate the setting of specific poverty elimination targets and a poverty line should 	

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		<p>be set using this concept. There should be a poverty line set at the level of minimum subsistence which was acceptable by the public at large.</p> <p>The Administration's response that in a developed economy like Hong Kong, it might be difficult to canvass broad-based community support to only regard those not meeting the level of minimum subsistence as "poor".</p>	
012208 - 012549	Mr Alan LEONG Chairman Administration	<p>Mr Alan LEONG's enquiry on how the poverty line would be applied to poverty alleviation policies and how the needs of the people who were living between the poverty line and the average CSSA level would be addressed as far as policies were concerned.</p> <p>The Administration's response that it would study the characteristics (e.g. social, economic, housing conditions and district characteristics) of different needy groups and consider appropriate poverty alleviating measures.</p>	
012550 - 012952	Chairman Administration	<p>The Chairman's view that three poverty lines should be set, i.e. an absolute poverty line drawn at the minimum subsistence level; a relative poverty line set at 60% of MHI (i.e. a level higher than the absolute poverty line); and a poverty prevention line set at 70% of MHI.</p> <p>The Chairman's enquiry on the implementation schedule of poverty alleviation policies and whether public consultation would be conducted before the poverty line.</p> <p>The Administration's response that –</p> <p>(a) the work of setting the poverty line and the formulation of new poverty alleviating measures would be carried out in parallel; and</p> <p>(b) deputations' views on poverty line were received at two Subcommittee meetings which were attended by representatives of the Administration. Having regard to the target of setting the poverty line within 2013, it did not have sufficient time to consult the public again on the subject matter.</p>	
012953 - 013819	Miss CHAN Yuen-han Dr Fernando CHEUNG Chairman Administration	Concern of Miss CHAN Yuen-han and the Chairman that CoP had not communicated with the Subcommittee before it endorsed the framework for setting the poverty line. The	

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		<p>communication between the Administration and Members should be improved in future.</p> <p>Miss CHAN Yuen-han's reiteration that the concept of disposable income should be adopted to measure poverty.</p> <p>The Administration's response that it had fully conveyed the views of members and deputations to CoP.</p> <p>Motion moved by Dr Fernando CHEUNG.</p> <p>Passage of the motion.</p>	
013820 - 014011	Dr KWOK Ka-ki Chairman Administration	<p>Request of Dr KWOK Ka-ki and the Chairman for CoP to provide its papers and study reports to the Subcommittee to facilitate members' discussion and enhance the transparency of CoP's work.</p> <p>The Administration's response that CoP had uploaded suitable information to its dedicated website. It would not be suitable to release information on issues which were being deliberated by CoP as its dissemination might cause unnecessary misunderstanding by the public.</p>	
014012 - 014104	Chairman	Extension of meeting time for fifteen minutes beyond the appointed ending time.	
<i>Agenda item II – Support for disadvantaged groups such as persons with disabilities, ethnic minorities, new-arrivals and single-parent families</i>			
014105 - 014557	Chairman Administration	Briefing by the Administration on the support for the disadvantaged groups of persons with disabilities ("PWDs"), ethnic minorities ("EM"), new-arrivals and single-parent families.	
014558 - 015026	Dr Fernando CHEUNG Chairman Administration	<p>Dr Fernando CHEUNG's request for the Administration to conduct specific studies on whether the implementation of SMW had helped PWDs escape poverty and provide information on the outcome of productivity assessment of PWDs under SMW.</p> <p>The Administration's response that-</p> <p>(a) it would study the feasibility of conducting specific studies on the employment situation of PWDs after the implementation of SMW; and</p> <p>(b) newly employed PWDs who were</p>	

Time marker	Speaker(s)	Subject(s)	Action required
		remunerated at or above the SMW rate needed not undergo productivity assessment. The productivity assessment mechanism was being reviewed after the implementation of SMW for two years.	
015027 - 015310	Mr Frankie YICK Chairman Administration	<p>Mr Frankie YICK's view that –</p> <ul style="list-style-type: none"> (a) the Administration should consider increasing the subsidy to the disadvantaged so as to provide them with more support; and (b) support should be provided for persons with non-physical disabilities, e.g. epilepsy, as they might not be eligible for DA unless they had lost 100% of earning capacity. <p>The Administration's response that –</p> <ul style="list-style-type: none"> (a) the granting of DA was not confined to physical disabilities. Doctors of the Hospital Authority and Department of Health would assess the medical conditions of DA applicants in determining their eligibility for DA; and (b) the inter-departmental Working Group had been set up to review DA. The review would cover people with obvious and hidden disabilities. 	
015311 - 015718	Mr TANG Ka-piu Chairman Administration	<p>Mr TANG Ka-piu's view and enquiry that –</p> <ul style="list-style-type: none"> (a) the WITS Scheme should also cover PWDs who worked in sheltered workshops and received an allowance; and (b) the progress of the review of DA and the allowance for carers. <p>The Administration's response that –</p> <ul style="list-style-type: none"> (a) the Working Group was studying issues relating to DA full steam and would draw on relevant overseas experience. Given the complexity of the study, the Working Group would need some time to complete its work; (b) the WITS Scheme did not cover trainees who were not in employment and it would study the suggestion of relaxing the Scheme to cover PWDs in this category; and (c) it was exploring the feasibility of introducing a pilot scheme on carer allowance for the 	

Time marker	Speaker(s)	Subject(s)	Action required
		elderly.	
015719 - 020148	Dr KWOK Ka-ki Chairman Administration	<p>Dr KWOK Ka-ki's view that the Administration should set targets for government departments and subvented organizations for the employment of PWDs to demonstrate its commitment to offering employment opportunities to PWDs.</p> <p>The Administration's response that CoP's Special Needs Groups Task Force would look into matters relating to the employment and education for EM.</p> <p>At the request of Dr KWOK, the Administration undertook to provide information on the number of EM students who did not meet the entry requirements of public examinations for tertiary education and the difficulties they encountered in this regard.</p>	Admin (paragraph 3 of the minutes)
020149 - 020608	Mr Albert HO Chairman Administration	<p>Mr Albert HO's view that given the size of the EM population, there was a demand for interpretation services for some EM languages by many public organizations or government departments. EM students' proficiency in their mother language rather than in Chinese and English should therefore be a prerequisite for pursuing tertiary education.</p> <p>The Administration explained that alternative Chinese qualifications including the General Certificate of Secondary Education, International General Certificate of Secondary Education, General Certificate of Education Advanced Subsidiary Level and Advanced Level were accepted for consideration for admission to University Grants Committee-funded institutions through the Joint University Programmes Admissions System.</p> <p>In response to Mr HO's enquiry on the employment of EM for civil service posts, the Administration stated that heads of department/grade would review the language proficiency requirements ("LPRs") for grades under their purview from time to time and make suitable adjustments as appropriate. For example, following a comprehensive review of the LPRs in 2010, it had adjusted the requirement for Chinese proficiency for certain grades such as Workman and Motor Driver.</p> <p>At the request of the Chairman and Mr HO, the Administration undertook to provide information on –</p>	Admin (paragraph 3 of the minutes)

Time marker	Speaker(s)	Subject(s)	Action required
		<p>(a) language policies for university admission and civil service recruitment, including the recruitment of disciplined service posts;</p> <p>(b) the scope and progress of the review of the requirements for Chinese proficiency for civil service posts and, if the review had been completed, the results thereof; and</p> <p>(c) a breakdown of the number of successful and unsuccessful EM applicants for civil service posts before and after the review mentioned in (b) above.</p>	
020607 – 020919	Chairman Administration	<p>The Chairman's view that –</p> <p>(a) it might be more beneficial to admit EM students to mainstream schools than to designated schools from a societal viewpoint;</p> <p>(b) EM students' low attainment in Chinese language examinations might account for the low admission rate of EM students to local universities. The Equal Opportunities Commission had suggested that the Administration should set alternative Chinese language admission requirements for tertiary education for EM students; and</p> <p>(c) the requirement for written Chinese proficiency for disciplined service posts should be relaxed with a view to providing more employment opportunities for EM.</p>	
<i>Agenda item III – Any other business</i>			
020920 - 021525	Mr WONG Yuk-man Dr KWOK-Ka-ki Dr Fernando CHEUNG Chairman	<p>Subjects to be discussed at meetings in June and July 2013.</p> <p>Members' request for the Administration to provide a list of issues which were relevant to the subject of "Relationship between education and poverty" and had or would be discussed by CoP or its Task Forces, with order of priority for discussion, for members' consideration at the next meeting.</p>	Admin (paragraph 4 of the minutes)