

Legislative Council Subcommittee on Poverty

Working Poverty

Purpose

This paper aims to provide Members with the following information relating to the working poor households:

- (a) the socio-economic characteristics of the working households living below the poverty line;
- (b) the existing government assistance programmes available to low-income working households; and
- (c) the proposals received from various organisations for introducing a new allowance for low-income working families who are not under the Comprehensive Social Security Assistance (“CSSA”) Scheme.

Socio-economic Characteristics of Working Households below Poverty Line

2. In 2012, the number of working households¹ below the poverty line² before policy intervention amounted to 205 700 (with 702 100 persons living therein), representing a poverty rate of 11.9%. These figures decreased to 156 700 households, 537 500 persons and 9.1% respectively after taking into account various government recurrent cash benefits. All the three poverty indicators trended downwards both before and after intervention over the past four years. This generally reflects an improvement of the working poverty situation, owing to the continued tight labour market, in particular the persistently strong demand for grassroots workers, and the implementation of the Statutory Minimum Wage, which contributed to a visible growth in their

¹ A working household is defined as a domestic household with at least one employed member (excluding foreign domestic helpers).

² The poverty line by household size in 2012 (i.e. 50% of pre-intervention median monthly household income):

Household size	1	2	3	4	5	6 and above
Poverty line	\$3,600	\$7,700	\$11,500	\$14,300	\$14,800	\$15,800

earnings (see [Table 1](#)). In 2012, the poverty rate of the working households (9.1%) was lower than that of the overall Hong Kong population (15.2%) (after recurrent cash intervention). In the same year, only 13 100 households or 8.4% of the working poor households (after recurrent cash intervention) were receiving CSSA (see [Table 2](#)).

Table 1: The Poverty Situation of Working Households in 2009 and 2012

		2009	2012	Change
Pre-intervention	Poor households	213 200	205 700	-7 500
	Poor population	725 200	702 100	-23 100
	Poverty rate	12.6%	11.9%	-0.7 %point
Post-intervention (recurrent cash)	Poor households	160 400	156 700	-3 700
	Poor population	543 300	537 500	-5 800
	Poverty rate	9.4%	9.1%	-0.3 %point

Source: General Household Survey, Census and Statistics Department.

Table 2: Distribution of Working Households/Population in 2012

Type of working households	No. of households	No. of persons
Non-poor	1 781 400	5 365 200
Poor	156 700	537 500
<i>Receiving CSSA</i>	<i>13 100</i>	<i>44 300</i>
<i>Not receiving CSSA</i>	<i>143 500</i>	<i>493 200</i>
Total working households	1 938 000	5 902 700

Note: Poverty figures after recurrent cash intervention.

Source: General Household Survey, Census and Statistics Department.

3. The 143 500 non-CSSA working poor households (comprising 493 200 persons) in 2012 were larger in terms of household size, with 120 500 (84%) having three members or more; and 84 800 (59.1%) had children below the age of 18. Compared with an average non-CSSA working household in 2012, they had fewer working members (1.1 working member in a non-CSSA working poor household versus 1.7 working member in a non-CSSA working household) but more children (0.9 versus 0.5) (details at [Table 3](#)). This indicates that the need to support children with a relatively smaller number of breadwinners could be a reason why the working households remain poor despite the fact that they have full-time working members. In fact, among those 84 800 non-CSSA working poor households who had children below the age of 18, close to half had two or more children. The burden of raising children was more acute among the single-

parent and new-arrival non-CSSA working poor households – both these groups had an average of 1.3 children per household. It is also noted that amongst the 163 400 employed persons in the non-CSSA working poor households, 80% were full-time workers, and that 52.9% of the employed persons had only attained lower secondary and below education and over 90% were engaged in lower-skilled jobs.

Table 3: Burden of Working Households in 2012

Type of working households	Average household size		
	<i>All</i>	<i>Employed</i>	<i>Child</i>
Non-CSSA working poor households	3.4	1.1	0.9
with children	3.9	1.1	1.5
with new-arrival	3.7	1.1	1.3
Single-parent	3.1	1.1	1.3
Total non-CSSA working households	3.0	1.7	0.5

Source: General Household Survey, Census and Statistics Department.

Existing Government Assistance Available to Low-income Working Households

4. Apart from CSSA, the Administration has also put in place a variety of assistance and measures which benefit many low-income working households. Some are cash benefits and others are non-cash assistance; some are recurrent and others are non-recurrent. They are provided in many different areas including education, healthcare, housing, transport and social welfare, as detailed at Annex A.

5. In addition, the Community Care Fund (“CCF”) has launched a number of assistance programmes for the disadvantaged, including non-CSSA low-income households. CCF has also provided a one-off subsidy of \$6,000 to new arrivals living in low-income households in 2011. Please see Annex B for detail.

6. The schemes covered in the above-mentioned Annexes have not included those universal subsidies and services, such as the “Pre-Primary Education Voucher Scheme”, 12-year free education, public in-patient or out-patient services or relief measures announced in the past Budgets, etc. While

these are not designed solely for low-income households, they can render relief to the working poor households.

Providing Additional Financial Assistance for the Non-CSSA Low-income Working Households

7. The Administration has received a number of proposals on a new financial scheme to provide further financial assistance to the non-CSSA low-income working households, a summary of which is tabulated at Annex C. The Commission on Poverty discussed the subject on 24 May and 11 November this year, and the Legislative Council Subcommittee on Poverty invited deputations to attend its meeting held on 8 July to discuss the same subject.

Target Beneficiaries

8. Most proponents share the view that any further financial assistance should focus on children in poverty, though some suggest that it should also cover low-income working households without children as well. There are proposals suggesting that the new scheme be converted from or built on the existing Work Incentive Transport Scheme (“WITS”).

Means Test

9. A number of the proponents suggest that the income threshold for the new scheme should be based on 50% of the monthly median domestic household income (“MMDHI”), whilst others suggest multiple thresholds between 40% and 70% of MMDHI and families with higher income would receive a smaller amount of financial assistance.

10. Asset test was suggested in some of the proposals received. Among them, most suggest an asset limit identical to that for Public Rental Housing.

Working Hours Requirement

11. All proposals require at least one working member within a household as a qualifying criterion for the new scheme. The working member should work a reasonable number of working hours, say at least 72 or 140 hours a month, though many proposals suggest a lower working hours requirement for single parents. There are three proposals suggesting that a higher level of allowance be provided for those who work longer hours to recognise the hard work of the low-income working households.

Advice Sought

12. Members are invited to note the contents of this paper.

Labour and Welfare Bureau
Policy and Project Coordination Unit
November 2013

Government Support for Low-income Households which are not on CSSA

(A) Education

Programme Title	Objectives
Tertiary Student Finance Scheme-Publicly-funded Programmes	To provide grant and/or loan for needy students enrolled in full-time publicly-funded post-secondary programmes. The grant is to cover tuition fees, academic expenses and compulsory union fees. The loan is for living expenses.
Financial Assistance Scheme for Post-secondary Students	To provide grant and/or loan for needy students enrolled in full-time locally-accredited self-financing post-secondary programmes. The grant is to cover tuition fees and academic expenses. The loan is for living expenses.
Kindergarten and Child Care Centre Fee Remission Scheme	To provide parents-in-need with financial assistance in the form of fee remission in addition to the Pre-primary Education Voucher Scheme for their children to receive pre-primary education/services.
School Textbook Assistance Scheme	To provide assistance to needy Primary and Secondary students for purchasing essential textbooks and covering school-related expenses.
Student Travel Subsidy Scheme	To provide travel subsidy to needy students attending full-time programmes at primary and secondary to first degree levels for travelling to and from school.
Subsidy Scheme for Internet Access Charge	To provide subsidy to needy families whose children are receiving education at primary or secondary level to meet the Internet access charges for the children's e-learning at home.
Examination Fee Remission Scheme	To provide assistance to needy students attending public examinations.
Tuition Fee Reimbursement for Yi Jin Diploma Students	To provide tuition fee reimbursement for eligible Secondary 6 school leavers and adult learners to obtain a formal qualification for employment and further study through an alternative pathway.
Financial Assistance Scheme for Designated Evening Adult Education Courses	To provide tuition fee reimbursement for eligible adult learners to attend designated evening secondary courses.

Programme Title	Objectives
School-based After-school Learning and Support Programmes	To provide more opportunities to the disadvantaged students in joining after-school activities with a view to (i) improving their learning effectiveness; (ii) broadening their learning experiences outside the classroom; and (iii) raising their understanding of the community and sense of belonging. The Programme is complementary in nature. Schools may deploy other resources to provide appropriate support for the disadvantaged students having regard to their needs. The grant should not be used for providing material assistance to students.
Hong Kong Jockey Club Life-wide Learning Fund	The Fund, set up with the donation from the Hong Kong Jockey Club Charities Trust, aims to support needy primary and secondary students in participating in life-wide learning programmes organised or recognised by schools for whole person development.
After-school Learning Support Partnership Pilot Scheme	To provide after-school homework guidance for economically disadvantaged primary school students with academic needs. The Scheme is to complement formal curriculum and other after-school activities (such as activities under the School-based After-school Learning and Support Programmes). It benefits not only the economically disadvantaged students receiving after-school homework guidance but also the tutors themselves.

(B) Healthcare

Programme Title	Objectives
Samaritan Fund	To provide assistance for needy patients to meet expenses for designated Privately Purchased Medical Items (including drugs) or new technologies required in the course of medical treatment which are not covered by the hospital maintenance fees and consultation fees in public hospitals and clinics.
Medical fee waiver	To provide medical fee waiver for patients with financial needs.

(C) Housing

Programme Title	Objectives
Public rental housing	To allocate new or refurbished public rental flats to eligible applicants.
Rent Assistance Scheme	To provide relief in the form of rent reductions for rental housing and interim housing tenants who are facing temporary financial hardship.

(D) Transport

Programme Title	Objectives
Work Incentive Transport Subsidy Scheme	To reduce low-income earners' cost of travelling to and from work and encourage them to secure a job and stay in employment.

(E) Social welfare

Programme Title	Objectives
Child Development Fund ("CDF")	To effectively utilise and consolidate the resources from families, the private sector, the community and the Government in support of the longer-term development of disadvantaged children, thereby reducing inter-generational poverty. The CDF encourages participating children to develop an asset-building habit by formulating and implementing personal development plans, and to accumulate financial and non-financial assets (such as positive attitude and proper mindset, personal resilience and abilities, social networks, etc.).
District Support Scheme for Children and Youth Development: Cash Assistance	To address the developmental needs which cannot be covered by mainstream education system, other funds and financial assistance, of children and youth in disadvantaged circumstances in the districts. The cash assistance is categorised to meet the following needs: learning and education needs; job skills training and employment needs; and social exposure and potential development needs.
Fee Waiving Subsidy Scheme under After School Care Programme	To help parents take care of their children aged 6 to 12, so that they can stay in employment or attend employment retraining/job attachment with a view to enhancing self-reliance.
Neighbourhood Support Child Care Project	To provide more flexible child care services and at the same time promote community participation and mutual assistance in the neighbourhood. The service targets are young children under the age of six. Fee waiving arrangement under the Project aims to enable needy low-income families to receive necessary services.
Subsidy Scheme for Extended Hours Service	To provide longer hours of child care assistance for Non-CSSA families with financial difficulties to meet the social needs of these families and working parents.

Programme Title	Objectives
Subsidy Scheme for Mutual Help Child Care Service	To provide service for Non-CSSA families with social needs and financial difficulties, and to enhance the support for families with child care service needs during evenings, weekends and holidays.
Short-term Food Assistance Service Projects	To provide short-term food assistance for people who have difficulties in coping with their daily food expenditure.
Social Security Allowance Scheme	To provide a monthly allowance to Hong Kong residents who are severely disabled or who are 65 years of age or above to meet the special needs arising from disability or old age.

Community Care Fund: Assistance Programmes that could benefit Non-CSSA Low-income Families

Names and objectives of assistance programmes	Disbursement amount
(1) Setting up the School-based Fund (Cross-boundary Learning Activities) to subsidise primary and secondary school students from low-income families to participate in cross-boundary learning activities/competitions (A three-year programme rolled out in July 2011)	A subsidy of not more than \$3,000 for each benefited student to participate in cross-boundary learning activities and competitions respectively.
(2) Subsidy for patients of the Hospital Authority (“HA”) for specified self-financed cancer drugs which have not yet been brought into the Samaritan Fund (“SF”) safety net but have been rapidly accumulating medical scientific evidence and with relatively higher efficacy (A programme with current funding provision for three years rolled out in August 2011)	To subsidise the drug costs borne by patient beneficiaries for the relevant drug treatment.
(3) Subsidy to meet lunch expenses at whole-day primary schools for students from low-income families (A three-school year programme rolled out in September 2011)	The subsidy level is determined by the actual fee charged by lunch suppliers and the subsidy is directly paid to lunch suppliers through the schools.
(4) Financial assistance for non-school-attending ethnic minorities and new arrivals from the Mainland for taking language-related international public examinations (A two-year programme rolled out in September 2011 and incorporated into the regular support services of the Home Affairs Department (“HAD”) from late September 2013)	Reimbursement of relevant examination fees to the beneficiaries on an accountable basis.
(5) Subsidy for the severely disabled persons aged below 60 who are non-CSSA recipients, requiring constant attendance and living in the community (A programme rolled out in September 2011, extended in November 2012 and to be extended again in late November 2013)	According to the monthly household income of the applicants, the subsidy is disbursed in “full grant” (\$2,000 per month), “three-quarters” (\$1,500 per month) or “half grant” (\$1,000 per month).

Names and objectives of assistance programmes	Disbursement amount
(6) Subsidy for elders aged 65 or above from low-income families who are on the waiting list of Integrated Home Care Services (“IHCS”) (Ordinary Cases) for Household Cleaning and Escorting Services for Medical Consultations (A programme rolled out in October 2011 and extended in December 2012)	A monthly subsidy of not more than \$560.
(7) Training subsidy for children from low-income families who are on the waiting list for subvented pre-school rehabilitation services (A programme rolled out in December 2011, extended in November 2012 and further extended in July 2013)	A monthly subsidy of not more than \$2,615.
(8) Relocation allowance for eligible residents of sub-divided units in industrial buildings who have to move out as a result of the Buildings Department’s enforcement action (A programme rolled out in December 2011)	An allowance of \$2,500 for one-person household; \$5,500 for two-to-three-person household; and \$7,100 for four-or-more-person household.
(9) Subsidy for needy HA patients who marginally fall outside the SF safety net for the use of SF subsidised drugs (A programme rolled out in January 2012 and incorporated into the SF’s regular mechanism with effect from 1 September 2012)	To subsidise the drug costs borne by patient beneficiaries for the relevant drug treatment.
(10) Subsidy for non-school-attending ethnic minorities and new arrivals from the Mainland participating in language courses (A programme rolled out in March 2012 and incorporated into the regular support services of the HAD from late September 2013)	A subsidy of \$350 to \$700 is provided for participating in dedicated language courses of the Employees Retraining Board.
(11) Subsidy for low-income elderly tenants in private housing (A one-off subsidy programme rolled out in July 2012 and the application period was closed on 31 January 2013)	A subsidy of \$4,000 for one-person elderly household; \$8,000 for two-person elderly household; and \$12,000 for three-or-more-person elderly household.
(12) After-school care pilot scheme (A two-school year programme rolled out in September 2012)	The subsidy cap for each project is \$500,000.

Names and objectives of assistance programmes	Disbursement amount
(13) Elderly dental assistance programme (A programme rolled out in September 2012 and expected to be a two-year programme)	The maximum subsidy for dental treatment for each beneficiary is \$12,015 (including \$8,000 for dentures, \$3,960 for denture-related dental care services, and \$55 for registration and dental checkup). There is also a subsidy of \$50 for referral fees, and an accompanying service fee at \$70 per hour (if applicable).
(14) Subsidy for owners' corporations of old buildings (A three-year programme rolled out in October 2012)	Eligible owners' corporations can be granted a subsidy with the total amount capped at \$20,000 for relevant expenditure items on an accountable basis.
(15) Subsidy for low-income persons who are inadequately housed (A one-off subsidy programme rolled out in October 2012 and the application period was closed on 8 April 2013)	A subsidy of \$3,000 for one-person household; \$6,000 for two-person household; and \$8,000 for three-or-more-person household.
(16) Special subsidy to persons with severe physical disabilities for renting respiratory support medical equipment (A programme rolled out in January 2013 and extended in September 2013)	According to the monthly household income and annual household disposable financial resources, the subsidy is disbursed in "full grant" (\$2,500 or \$2,000 per month), "three-quarters" (\$1,875 or \$1,500 per month) or "half grant" (\$1,250 or \$1,000 per month).
(17) Special subsidy to persons with severe physical disabilities for purchasing medical consumables related to respiratory support medical equipment (A one-year programme rolled out in September 2013)	According to monthly household income, the subsidy is disbursed in "full grant" (a maximum of \$2,000 per month), "three-quarters" (a maximum of \$1,500 per month) or "half grant" (a maximum of \$1,000 per month).

Names and objectives of assistance programmes	Disbursement amount
(18) Extra travel subsidy for needy special school students (A two-school year programme rolled out in October 2013)	An extra 50% travel subsidy for eligible students on top of the Student Travel Subsidy disbursed by the Student Financial Assistance Agency (SFAA).
(19) Enhancement of the flat rate grant under the School Textbook Assistance Scheme (STAS) (A one-school year programme rolled out in October 2013)	Primary and secondary students receiving CSSA and full grant under the STAS will receive an additional grant of \$1,000. Primary and secondary students receiving half grant under the STAS will receive an additional grant of \$500.
(20) Enhancement of the financial assistance for needy students pursuing programmes below sub-degree level (A one-school year programme rolled out in October 2013)	The assistance includes the “Tuition Fee Reimbursement Scheme” and the “Flat-rate Academic Expense Grant”.
(21) One-off living subsidy for low-income households not living in public housing and not receiving CSSA (A one-off subsidy programme to be rolled out in December 2013)	A subsidy of \$3,500 for one-person household; \$7,000 for two-person household; and \$10,000 for three-or-more-person household.

Summary of the Major Submissions on providing Further Financial Assistance to Non-CSSA Low-income Working Families

	Oxfam (April 2013)	The Hong Kong Council of Social Service (August 2013)	爭取低收入家庭保障聯席 (October 2013)	The Hong Kong Federation of Trade Unions (September 2013)	The Hong Kong Association for Democracy and People's Livelihood (October 2013)																																																														
Income Limit	Lower than or equal to 50% of MMDHI	Original model: Lower than 70% of MMDHI <i>[Interim model: Lower than 60% of MMDHI]</i>	Three tiers (50% or below, 51-60%, 61-70% of median income of the employed population)	Lower than 50% of MMDHI	Three tiers (50% or below, 51-60%, 61-70% of median income of the employed population)																																																														
Asset Test	None	None	None	24 times the income limit	Follow PRH asset test																																																														
Minimum Monthly Working Hour Requirement on at least One Household Member	140 hours (or 35 hours per week)	140 hours (all household members combined); Monthly working hours reduced to 70 hours for single-parents households or persons with disabilities	72 hours; 36 hours for single-parent households	Four tiers (36-71 hours, 72-99 hours, 100-159 hours, 160+ hours)	72 hours; 36 hours for single-parent households																																																														
Design of the Allowance	<ul style="list-style-type: none"> Monthly allowance levels vary according to the order in which the children (non-working household members below 18 years of age) were born. <table border="1"> <thead> <tr> <th>Child</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td>1st</td> <td>\$800</td> </tr> <tr> <td>2nd</td> <td>\$800</td> </tr> <tr> <td>3rd</td> <td>\$600</td> </tr> <tr> <td>4th</td> <td>\$600</td> </tr> <tr> <td>5th +</td> <td>\$400</td> </tr> </tbody> </table>	Child	Allowance	1 st	\$800	2 nd	\$800	3 rd	\$600	4 th	\$600	5 th +	\$400	<ul style="list-style-type: none"> Maximum monthly allowance level - 10% of MMDHI under the original model; <i>[5% under the interim model]</i> Original model: For every \$1 above 50% and up to 70% of MMDHI in income <i>[Interim model: above 50% and up to 60%]</i>, \$0.5 is deducted from the maximum allowance level. Only households with children (16-year-olds or younger and students between 16 and 18) can benefit. Households with elderly members aged 65 or above or members with disabilities may also benefit before improvements were made to retirement protection and CSSA for persons with disabilities. 	<ul style="list-style-type: none"> Three tiers by income levels: <table border="1"> <thead> <tr> <th>% of Median Income of the Employed Population</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td>≤50% (Full Allowance)</td> <td>\$1,000</td> </tr> <tr> <td>51%-60% (3/4 Allowance)</td> <td>\$750</td> </tr> <tr> <td>61%-70% (Half Allowance)</td> <td>\$500</td> </tr> </tbody> </table> Monthly allowance based on the number of the following household members: <table border="1"> <thead> <tr> <th>% of Median Income of the Employed Population</th> <th>Per Child</th> <th>Per Child (with SEN or Disabilities)</th> <th>Per Adult with Disabilities</th> </tr> </thead> <tbody> <tr> <td>≤50% (Full Allowance)</td> <td>\$900</td> <td>\$1,200</td> <td>\$800</td> </tr> <tr> <td>51%-60% (3/4 Allowance)</td> <td>\$675</td> <td>\$900</td> <td>\$600</td> </tr> <tr> <td>61%-70% (Half Allowance)</td> <td>\$450</td> <td>\$600</td> <td>\$400</td> </tr> </tbody> </table> Children are defined as those under 15 and full-time students aged between 15 and 21, excluding students in tertiary education. 	% of Median Income of the Employed Population	Allowance	≤50% (Full Allowance)	\$1,000	51%-60% (3/4 Allowance)	\$750	61%-70% (Half Allowance)	\$500	% of Median Income of the Employed Population	Per Child	Per Child (with SEN or Disabilities)	Per Adult with Disabilities	≤50% (Full Allowance)	\$900	\$1,200	\$800	51%-60% (3/4 Allowance)	\$675	\$900	\$600	61%-70% (Half Allowance)	\$450	\$600	\$400	<ul style="list-style-type: none"> Four tiers by working hours – <table border="1"> <thead> <tr> <th>Monthly Working Hours</th> <th>Monthly Allowance</th> </tr> </thead> <tbody> <tr> <td>36-71</td> <td>\$400</td> </tr> <tr> <td>72-99</td> <td>\$800</td> </tr> <tr> <td>100-159</td> <td>\$1,200</td> </tr> <tr> <td>160+</td> <td>\$1,600</td> </tr> </tbody> </table> 	Monthly Working Hours	Monthly Allowance	36-71	\$400	72-99	\$800	100-159	\$1,200	160+	\$1,600	<ul style="list-style-type: none"> Monthly allowance based on the number of needy members in the table below. Children are defined as those under 15 and full-time students aged between 15 and 21. (Note: The maximum age of full-time students is defined as 18 in other parts of the submission.) One-person households may also apply for the allowance (working adult with disabilities only). <table border="1"> <thead> <tr> <th>% of Median Income of the Employed Population</th> <th>Per Child</th> <th>Per Child (with SEN or Disabilities)</th> <th>Per Adult with Disabilities</th> </tr> </thead> <tbody> <tr> <td>≤50% (Full Allowance)</td> <td>\$900</td> <td>\$1,200</td> <td>\$800</td> </tr> <tr> <td>51%-60% (3/4 Allowance)</td> <td>\$675</td> <td>\$900</td> <td>\$600</td> </tr> <tr> <td>61-70 (Half Allowance)</td> <td>\$450</td> <td>\$600</td> <td>\$400</td> </tr> </tbody> </table>	% of Median Income of the Employed Population	Per Child	Per Child (with SEN or Disabilities)	Per Adult with Disabilities	≤50% (Full Allowance)	\$900	\$1,200	\$800	51%-60% (3/4 Allowance)	\$675	\$900	\$600	61-70 (Half Allowance)	\$450	\$600	\$400
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	Neighbourhood and Worker's Service Centre (October 2013)	Community Development Alliance (November 2013)	The Federation of Hong Kong and Kowloon Labour Unions (September 2013)	土瓜灣社區家長關注組 (October 2013)	Civic Party (October 2013)																																										
Income Limit	Three tiers (50% or below, 51-60%, 61-70% of median income of the employed population)	Around 70% of MMDHI	Individual-based applications: Under 50% of median monthly income of individuals; Household-based applications: 50% of MMDHI or below	Lower than 70% of MMDHI	Under PRH income limit																																										
Asset Test	None	None	None	None	Follow PRH asset test																																										
Minimum Monthly Working Hour Requirement on at least One Household Member	36 hours; 18 hours for single-parent households	140 hours; 60 hours for single-parent households (Note: 70 hours for single-parent households as stated in other parts of the submission)	Household-based applicants must have at least one working member	72 hours; 36 hours for single-parent households and persons with disabilities	140 hours (all household members combined); 70 hours for single-parent households or persons with disabilities																																										
Design of the Allowance	<ul style="list-style-type: none"> Three tiers by income levels: <table border="1"> <thead> <tr> <th>% of Median Income of the Employed Population</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td>≤50% (Full Allowance)</td> <td>\$1,000</td> </tr> <tr> <td>51%-60% (3/4 Allowance)</td> <td>\$750</td> </tr> <tr> <td>61%-70% (Half Allowance)</td> <td>\$500</td> </tr> </tbody> </table> Monthly allowance based on the number of the following household members: <table border="1"> <thead> <tr> <th>% of Median Income of the Employed Population</th> <th>Per Child</th> <th>Per Child (with SEN or Disabilities)</th> <th>Per Adult with Disabilities</th> <th>Per Elderly (aged 65 or above)</th> </tr> </thead> <tbody> <tr> <td>≤50% (Full Allowance)</td> <td>\$650</td> <td>\$770</td> <td>\$400</td> <td>\$300</td> </tr> <tr> <td>51%-60% (3/4 Allowance)</td> <td>\$490</td> <td>\$580</td> <td>\$300</td> <td>\$240</td> </tr> <tr> <td>61%-70% (Half Allowance)</td> <td>\$325</td> <td>\$390</td> <td>\$200</td> <td>\$150</td> </tr> </tbody> </table> Children are defined as those under 15 and full-time students aged between 15 and 21, excluding students in tertiary education. 	% of Median Income of the Employed Population	Allowance	≤50% (Full Allowance)	\$1,000	51%-60% (3/4 Allowance)	\$750	61%-70% (Half Allowance)	\$500	% of Median Income of the Employed Population	Per Child	Per Child (with SEN or Disabilities)	Per Adult with Disabilities	Per Elderly (aged 65 or above)	≤50% (Full Allowance)	\$650	\$770	\$400	\$300	51%-60% (3/4 Allowance)	\$490	\$580	\$300	\$240	61%-70% (Half Allowance)	\$325	\$390	\$200	\$150	<ul style="list-style-type: none"> The 'basic family allowance' is available to households with children under 15 years old, full-time students aged between 15 and 18, mildly impaired elderly members, and holders of Registration Cards for Persons with Disabilities. The 'basic family allowance' rates are 15% (ordinary households) and 20% (single-parent households) of a worker's monthly minimum wage of \$7,800 (\$30 an hour, 10 hours a day, 26 days a month). <table border="1"> <thead> <tr> <th>Household Type</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td>Ordinary</td> <td>\$1,170</td> </tr> <tr> <td>Single-parent</td> <td>\$1,560</td> </tr> </tbody> </table> The second-layer of allowance should be at least \$800 per child per month for the first two children; from the third child onwards, the household would receive \$600 per child per month. Households with income levels below the poverty line would benefit from the full allowance, but if they are above the poverty line, the allowance level would decrease at a rate of 50% or less. 	Household Type	Allowance	Ordinary	\$1,170	Single-parent	\$1,560	<ul style="list-style-type: none"> \$680 per month for individual-based applications 5% of MMDHI of the relevant household size as the monthly allowance for family-based applications 	<ul style="list-style-type: none"> Maximum monthly allowance level: 10% of MMDHI For every \$1 above 50% of MMDHI and up to 70% of MMDHI in income, \$0.5 is deducted from the maximum allowance level. Monthly allowance level based on the following groups of working poor households: <table border="1"> <thead> <tr> <th>Households with the Following Groups</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td>Children with Special Needs</td> <td>\$1,200</td> </tr> <tr> <td>Adults with Disabilities</td> <td>\$800</td> </tr> <tr> <td>Households on the PRH Waiting List for over Three Years</td> <td>\$1,000</td> </tr> </tbody> </table> 	Households with the Following Groups	Allowance	Children with Special Needs	\$1,200	Adults with Disabilities	\$800	Households on the PRH Waiting List for over Three Years	\$1,000	<ul style="list-style-type: none"> Households fulfilling any of the following conditions can benefit: those with children under the age of 16, students aged between 16 and 18, or DA-recipients, or those on the PRH Waiting List for over three years and yet to be allocated the first flat. Maximum monthly allowance level: 10% of MMDHI Households with income levels at or below 60% of MMDHI can benefit from the maximum allowance level. For households with income levels above 60% but under the PRH income limit, their allowance level will reduce to zero as their income approaches the PRH income limit.
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	基層民生聯席 (October 2013)	Dr Law Chi-kwong (July 2013)		Professor Wong Hung (November 2013)																																																																						
		Part based on Student Finance Schemes	Part based on WITS																																																																							
Income Limit	Three tiers (below 50% of MMDHI, 50-below 60% of MMDHI, 60-below 70% of MMDHI)	Three tiers (below 50% of MMDHI, 50-75% of MMDHI, 75-100% of MMDHI)	Three tiers (below 50% of MMDHI, 50- 62.5% of MMDHI, 62.5-75% of MMDHI)	Three tiers (40% of MMDHI or below, 41-50% of MMDHI, 51-60% of MMDHI)																																																																						
Asset Test	Follow PRH asset test (excluding owner-occupied properties)	None	Follow WITS asset test for now, but the ultimate aim is to phase out the asset test	None																																																																						
Minimum Monthly Working Hour Requirement on at least One Household Member	72 hours; 36 hours for single-parent households and persons with disabilities	None	Three tiers (36-71 hours, 72-139 hours, 140+ hours)	Three tiers (all working household members combined) (70-below 105 hours, 105- below 140 hours, above 140 hours)																																																																						
Design of the Allowance	<ul style="list-style-type: none"> Three tiers by income levels: <table border="1"> <thead> <tr> <th>% of MMDHI</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td><50% (Full Allowance)</td> <td>\$1,000</td> </tr> <tr> <td>50%-below 60% (3/4 Allowance)</td> <td>\$750</td> </tr> <tr> <td>60%-below 70% (Half Allowance)</td> <td>\$500</td> </tr> </tbody> </table> Monthly special allowance based on the number of the following members in households: <table border="1"> <thead> <tr> <th>% of MMDHI</th> <th>Per Elderly Member / Child / Adult with Disabilities</th> </tr> </thead> <tbody> <tr> <td><50% (Full Allowance)</td> <td>\$800</td> </tr> <tr> <td>50%-below 60% (3/4 Allowance)</td> <td>\$600</td> </tr> <tr> <td>60%-below 70% (Half Allowance)</td> <td>\$400</td> </tr> </tbody> </table> Children are defined as those under 15 and full-time students aged between 15 and 21, including those with SEN. Elderly members are defined as those who are 60 years old or above and are not receiving OALA. 	% of MMDHI	Allowance	<50% (Full Allowance)	\$1,000	50%-below 60% (3/4 Allowance)	\$750	60%-below 70% (Half Allowance)	\$500	% of MMDHI	Per Elderly Member / Child / Adult with Disabilities	<50% (Full Allowance)	\$800	50%-below 60% (3/4 Allowance)	\$600	60%-below 70% (Half Allowance)	\$400	<ul style="list-style-type: none"> Flat allowance of \$1,200 <u>per child</u> (primary and secondary school students) per school year on top of existing School Textbook Assistance and Student Travel Subsidy Schemes. Enhance the current Subsidy Scheme for Internet Access Charges and transform it into a basic E-Learning Support Grant: Allowance for Internet access <u>per household</u> per school year if there is at least one child: <table border="1"> <thead> <tr> <th>% of MMDHI</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td><50% (Full Allowance)</td> <td>\$960</td> </tr> <tr> <td>50%- 75% (3/4 Allowance)</td> <td>\$720</td> </tr> <tr> <td>75%-100% (Half Allowance)</td> <td>\$480</td> </tr> </tbody> </table> Allowance <u>per child</u> per school year for computer devices: <table border="1"> <thead> <tr> <th>% of MMDHI</th> <th>Allowance</th> </tr> </thead> <tbody> <tr> <td><50% (Full Allowance)</td> <td>\$960</td> </tr> <tr> <td>50%- 75% (3/4 Allowance)</td> <td>\$720</td> </tr> <tr> <td>75%-100% (Half Allowance)</td> <td>\$480</td> </tr> </tbody> </table> 	% of MMDHI	Allowance	<50% (Full Allowance)	\$960	50%- 75% (3/4 Allowance)	\$720	75%-100% (Half Allowance)	\$480	% of MMDHI	Allowance	<50% (Full Allowance)	\$960	50%- 75% (3/4 Allowance)	\$720	75%-100% (Half Allowance)	\$480	<ul style="list-style-type: none"> Replacing the current WITS Scheme, eligible households can receive the following: <table border="1"> <thead> <tr> <th rowspan="2">% of MMDHI</th> <th colspan="3">Working Hours</th> </tr> <tr> <th>36-71</th> <th>72-139</th> <th>140+</th> </tr> </thead> <tbody> <tr> <td><50%</td> <td>\$450</td> <td>\$900</td> <td>\$1,350</td> </tr> <tr> <td>50%- 62.5%</td> <td>\$300</td> <td>\$600</td> <td>\$900</td> </tr> <tr> <td>62.5%-75%</td> <td>\$150</td> <td>\$300</td> <td>\$450</td> </tr> </tbody> </table> 	% of MMDHI	Working Hours			36-71	72-139	140+	<50%	\$450	\$900	\$1,350	50%- 62.5%	\$300	\$600	\$900	62.5%-75%	\$150	\$300	\$450	<ul style="list-style-type: none"> Monthly allowance based on the number of needy members (household members who are under 18 or over 65, or have disabilities), with a maximum of 3 members: <table border="1"> <thead> <tr> <th rowspan="2">% of MMDHI</th> <th colspan="3">Number of Needy Members</th> </tr> <tr> <th>1</th> <th>2</th> <th>3</th> </tr> </thead> <tbody> <tr> <td>≤40%</td> <td>\$900</td> <td>\$1,800</td> <td>\$2,700</td> </tr> <tr> <td>41%-50%</td> <td>\$600</td> <td>\$1,200</td> <td>\$1,800</td> </tr> <tr> <td>51%-60%</td> <td>\$300</td> <td>\$600</td> <td>\$900</td> </tr> </tbody> </table> If the number of combined working hours of all working members is over 140 per month, the household will receive the full allowance. If the number of combined working hours of all working members is over 105 but under 140 per month, the household will receive the 3/4 allowance. If the number of combined working hours of all working members is over 70 but under 105 per month, the household will receive the half allowance. 	% of MMDHI	Number of Needy Members			1	2	3	≤40%	\$900	\$1,800	\$2,700	41%-50%	\$600	\$1,200	\$1,800	51%-60%	\$300	\$600	\$900
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	Society for Community Organisation (November 2013)
Income Limit	<p>Applications from single-member households: Below 100% of MMDHI (MPF contributions do not count as income)</p> <p>Applications from households with two or more members: Below 70% of MMDHI (MPF contributions do not count as income) (Additional suggestion: Housing costs should be deducted from a household's income.) (Additional suggestion: Only employment income should count towards a household's income.)</p>
Asset Test	<p style="text-align: center;">None</p> <p>(If an asset test is to be introduced, it should be no lower than the that of PRH applications.)</p>
Minimum Monthly Working Hour Requirement on at least One Household Member	<p style="text-align: center;">Three tiers (36-71 hours, 72-139 hours, 140+ hours)</p>
Design of the Allowance	<ul style="list-style-type: none"> ● Maximum monthly allowance level – 10% of MMDHI ● Applications from households with two or more members: For every \$1 above 50% and up to 70% of MMDHI in income, \$0.5 is deducted from the maximum allowance level. ● Applications from single-member households: The sliding scale does not apply and the level of allowance is only determined by the number of hours worked. ● If the applicant's number of working hours is over 140 per month, the household will receive the full allowance. ● If the applicant's number of working hours is over 72 but under 140 per month, the household will receive the 2/3 allowance. ● If the applicant's number of working hours is over 36 but under 72 per month, the household will receive the 1/3 allowance. ● (Additional suggestion: The allowance should include the concept of housing costs. If an applicant's household lives in rented private housing, a allowance may be provided with reference to a certain percentage of CSSA's rent allowance.) ● (Additional suggestion: The allowance level may be increased according to the number of children in the household.)

Abbreviations:

CSSA	Comprehensive Social Security Assistance
DA	Disability Allowance
MMDHI	Median Monthly Domestic Household Income
MPF	Mandatory Provident Fund
OALA	Old Age Living Allowance
PRH	Public Rental Housing
SEN	Special Educational Needs
WITS	Work Incentive Transport Subsidy