立法會 Legislative Council

LC Paper No. CB(2)1439/16-17 (These minutes have been seen by the Administration)

Ref: CB2/PL/WS

Panel on Welfare Services

Minutes of meeting held on Monday, 9 January 2017 at 10:45 am in Conference Room 3 of the Legislative Council Complex

Members : Hon SHIU Ka-chun (Chairman)

present Hon KWONG Chun-yu (Deputy Chairman)

Hon James TO Kun-sun Hon LEUNG Yiu-chung Hon LEUNG Kwok-hung

Hon Michael TIEN Puk-sun, BBS, JP

Hon CHAN Chi-chuen

Hon LEUNG Che-cheung, BBS, MH, JP

Dr Hon KWOK Ka-ki Hon KWOK Wai-keung

Dr Hon Fernando CHEUNG Chiu-hung

Dr Hon Helena WONG Pik-wan Hon POON Siu-ping, BBS, MH

Hon Alvin YEUNG

Hon Andrew WAN Siu-kin

Dr Hon Junius HO Kwan-yiu, JP

Hon YUNG Hoi-yan Dr Hon Pierre CHAN Hon HUI Chi-fung Dr Hon LAU Siu-lai

Members: Hon CHAN Hak-kan, BBS, JP

absent Hon CHU Hoi-dick

Hon Nathan LAW Kwun-chung

Public Officers: <u>Item IV</u> **attending**

Mr David LEUNG, JP

Commissioner for Rehabilitation Labour and Welfare Bureau

Ms PANG Kit-ling

Assistant Director (Elderly) Social Welfare Department

Mr FONG Kai-leung

Assistant Director (Rehabilitation and Medical Social Services)

Social Welfare Department

Mr Kenneth WOO

Chief Executive Officer (Subventions/Planning)

Social Welfare Department

Item V

Mr Donald CHEN, JP

Deputy Secretary for Labour and Welfare (Welfare) 2 Labour and Welfare Bureau

Ms Eugenia CHUNG

Principal Assistant Secretary for Labour and Welfare (Poverty)

Labour and Welfare Bureau

Mr FUNG Man-chung

Assistant Director (Family and Child Welfare)

Social Welfare Department

Mr Esmond LEE, JP

Head, Working Family and Student Financial Assistance Agency

Mr Nick AU YEUNG Principal Assistant Secretary for Home Affairs (Community Care Fund) Home Affairs Bureau

Mr WOO Chun-sing
Principal Assistant Secretary for Education
(Kindergarten Education)
Education Bureau

Clerk in : Mr Colin CHUI

attendance Chief Council Secretary (2) 4

Staff in : Miss Kay CHU

attendance Council Secretary (2) 4

Miss Alison HUI

Legislative Assistant (2) 4

Action

I. Application for late membership

[LC Paper No. CB(2)487/16-17(01)]

In response to the Chairman's invitation of views, <u>members</u> accepted the application for late membership by Mr Michael TIEN vide his letter dated 20 December 2016 (LC Paper No. CB(2)487/16-17(01)).

II. Information paper(s) issued since the last meeting

[LC Paper Nos. CB(2)444/16-17(01), CB(2)508/16-17(01) and CB(2)510/16-17(01)]

- 2. <u>Members</u> noted that the following papers had been issued since the last meeting:
 - (a) Referral from the Public Complaints Office on issues relating to healthcare services for grass-roots elders [LC Paper No. CB(2)444/16-17(01)];

- (b) Referral from the Public Complaints Office on issues relating to Low-income Working Family Allowance ("LIFA") [LC Paper No. CB(2)508/16-17(01)]; and
- (c) Letter dated 29 December 2016 from Dr Fernando CHEUNG requesting the Panel to discuss the review of Disability Allowance ("DA") and latest relevant initiatives [LC Paper No. CB(2)510/16-17(01)].

III. Items for discussion at the next meeting

[LC Paper Nos. CB(2)543/16-17(01) to (02)]

- 3. <u>Members</u> noted that the Administration had proposed to discuss at the next meeting scheduled for 13 February 2017 the following items:
 - (a) Care support services provided for elderly persons discharged from public hospitals after treatment; and
 - (b) Support for street sleepers.

Referring to his letter in paragraph 2(c) above, <u>Dr Fernando CHEUNG</u> said that some DA-related concerns raised by members in the Fifth Legislative Council were still pending and the Administration intended to implement new measures with respect to medical assessments for DA applicants in January 2017. He suggested that the Panel should discuss issues relating to DA as early as possible. <u>The Chairman</u> suggested that issues relating to DA should be discussed after the policy briefing on 26 January 2017 and subject to the availability of the Administration's paper, the subject matter should be discussed at the Panel meeting on 13 February 2017. <u>Members</u> agreed.

4. <u>The Chairman</u> said that the Social Welfare Department ("SWD") had invited members to visit two private residential care homes for persons with disabilities on 14 February 2017. Members noted the invitation and agreed that the visit would be postponed if the visiting party consisted of less than three members.

IV. Provision of elderly and rehabilitation service facilities in Sai Kung, Sha Tin, Wong Chuk Hang and Lei Yue Mun

[LC Paper Nos. CB(2)543/16-17(03) to (06)]

5. At the invitation of the Chairman, <u>Commissioner for Rehabilitation</u> ("C for R") and <u>Chief Executive Officer (Subventions/Planning)</u> briefed members on the Administration's proposal to set up elderly and rehabilitation service facilities in Sai Kung, Wong Chuk Hang, Sha Tin and Lei Yue Mun ("the four projects").

Expediting construction of rehabilitation facilities under Mass Transit Railway Wong Chuk Hang Depot property development project

6. Noting that the Mass Transit Railway ("MTR") Wong Chuk Hang Depot property development project ("the Wong Chuk Hang project") was expected to complete in 2024-2025 and commence operation in 2025-2026, Mr POON Siu-ping asked whether it was possible for the Administration to request the MTR Corporation Limited ("MTRCL") to complete the Wong Chuk Hang project earlier. C for R responded that the Wong Chuk Hang project comprised six phases and the hostel for moderately mentally handicapped persons ("HMMH") and the integrated vocational rehabilitation services centre ("IVRSC") would be constructed in the first phase. The Administration would take into account members' view in its subsequent liaison with MTRCL on the construction of the rehabilitation facilities.

Planning for provision of elderly and rehabilitation service facilities

- 7. While appreciating the difficulties encountered by the Administration in securing suitable sites for provision of elderly services, Mr Alvin YEUNG opined that the location of the day care unit for the elderly ("DCU") in the ex-Sai Kung Central Primary School site at Ho Chung ("the Sai Kung project") was not conveniently accessible. Taking the view that day care service facilities should be conveniently located to facilitate elderly persons to age in place, he asked about the Administration's policy consideration in deciding the locations of such facilities.
- 8. <u>C for R</u> responded that the Administration had endeavored to identify suitable sites for elderly and rehabilitation services to cater for the demand. Given limited land supply, some facilities might be less conveniently located. Provision of rehabilitation centre bus service to commute to these facilities would be included in service contracts of these facilities. <u>Assistant Director (Elderly)</u> ("AD(Elderly)") supplemented that operators of residential care homes for the elderly ("RCHEs") and DCUs were provided with vehicle(s) for arranging shuttle services for users and residents.

- 9. Mr Alvin YEUNG said that the HMMH and IVRSC in the Wong Chuk Hang project should not be located far away from the community so as to facilitate users of these facilities to integrate into the community. C for R responded that the HMMH and IVRSC would be located at the podium of the development under the project. The Administration would follow up with MTRCL on the detailed design of these facilities at an appropriate juncture.
- 10. <u>Dr Helena WONG</u> said that in light of the ageing population, there was growing demand for elderly services. Noting that the services proposed under the four projects were mainly rehabilitation services, she asked whether SWD would take into account the demand for elderly services in the district in determining the locations of such facilities. She also asked whether SWD would proactively ask for sites for the provision of welfare facilities in districts where the service demand was great.
- C for R responded that as the proposals of setting up elderly and rehabilitation facilities would be submitted to the Panel by batches, the scale and type of services covered in different batches of proposals might vary. Under the existing mechanism, the Development Bureau, the Planning Department and the Lands Department would liaise with the government departments concerned, including SWD, to plan for the provision of community facilities, including welfare facilities, in new development projects. also been working in close collaboration with the Housing Department for incorporating rehabilitation facilities in public housing developments. had been reserved in 20 new public housing development projects for the provision of rehabilitation facilities in the coming five to six years. acute shortage of hostels for severely mentally handicapped persons ("HSMHs") and HMMHs, nearly half of the additional residential service places to be provided in the next five to 10 years would be allocated to these At Dr Helena WONG's request, C for R undertook to provide information on social welfare planning which should include the provision for elderly and rehabilitation services for the next five to 10 years.

Admin

12. <u>Dr LAU Siu-lai</u> said that to facilitate elderly persons to age in place, the Administration should increase the supply of community care services ("CCS"). However, the ratio of residential care places to day care places in the RCHE cum DCU under the Sai Kung project (i.e. 100 residential care places and 30 day care places) had not been improved and remained the same as previous RCHE cum DCU projects. She enquired about the basis for setting such a ratio. <u>AD(Elderly)</u> responded that in considering the proportion of residential care places and day care places in a project, the Administration would take into account the demand for such services, the waitlisting situation and the

availability of other CCS in the district. <u>Dr LAU Siu-lai</u> took the view that the demand for residential care services ("RCS") would not be so great if there was adequate provision of CCS. To prevent elderly persons from premature institutionalization, the Administration should increase the provision of CCS in the long run. In response to Dr LAU Siu-lai's enquiry about the reasons for setting up a contract RCHE cum DCU instead of a subvented RCHE cum DCU under the Sai Kung project, <u>AD(Elderly)</u> said that it was the Administration's policy since 2000 to invite interested non-governmental organizations and private operators to bid for service contracts for providing subsidized and non-subsidized residential care places for the elderly through open tender.

Modes of rehabilitation services for mentally handicapped persons

- 13. <u>Dr Fernando CHEUNG</u> said that Sai Kung Central Primary School had been left vacant since 2007 and the Administration should not have waited for nearly 10 years to submit the proposal for converting the school premises into elderly and rehabilitation service facilities. The Administration should have planned for such provision before the school ceased operation. <u>C for R responded that the school premises were used by other government departments during the vacant period.</u>
- 14. <u>Dr Fernando CHEUNG</u> said that while the waiting time for day activity centres ("DACs") was long, places in DACs had not been increased. New service places for persons with severe intellectual disabilities were only provided in DACs cum HSMHs. As such, although some persons with severe intellectual disabilities did not require RCS, they had to apply for places in DAC cum HSMH in order to receive DAC services. Taking the view that DAC cum HSMH was not suitable for persons with severe intellectual disabilities who required DAC services only, he called on the Administration to reconsider the mode of the rehabilitation services under the Sai Kung project. Views of service providers and users should also be sought on the service mode of these rehabilitation services.
- 15. Assistant Director (Rehabilitation and Medical Social Services) ("AD(R&MSS)") responded that there were 5 198 places and 3 611 places in DACs and HSMHs respectively. There were about 1 200 waitlistees for DAC and only some 300 of them were willing to accept DAC services first when waiting for HSMH services. The remaining 900 odd waitlistees required DAC and HSMH places. The supply for DAC services was therefore adequate. The Administration was considering different service modes for rehabilitation service to cater for the needs of persons with different level of disabilities. The Administration would consult service providers and users

with a view to providing diversified services to suit users' needs. <u>Dr Fernando CHEUNG</u> said that DAC cum HSMH should not be the mainstream service mode as many parents were reluctant to send their children to HSMH and some of them had declined the offer of HSMH places. In his view, the best arrangement for mentally handicapped persons was to facilitate them to live in the community and the provision of rehabilitation services should be planned towards this direction. The Administration undertook to look into the matter.

16. Noting that both elderly and rehabilitation service facilities would be provided under the Sai Kung project, Mr POON Siu-ping asked whether it was common to provide different facilities under the same project. AD(R&MSS) responded that the facilities to be provided in a project would be determined by the design of the project concerned. There were quite a number of integrated services welfare blocks built in recent years.

Funding arrangements

- 17. In response to Mr POON Siu-ping's enquiry about the basis of estimating the full-year recurrent subvention for the four projects, <u>AD(R&MSS)</u> responded that the estimation was based on staff provision for the proposed elderly and rehabilitation facilities, other charges, etc. of individual projects. The basis for the estimation had been provided in invitations for proposals for the four projects. Given that the WONG Chuk Hang project was expected to commence operation in 2025-2026, <u>Mr POON Siu-ping</u> asked whether the estimated recurrent subvention had factored in the possible increase in the costs. <u>AD(R&MSS)</u> responded that the recurrent subvention would be adjusted nearer the time, if necessary.
- 18. In response to Dr Pierre CHAN's enquiry about whether SWD had consulted the Treasury Branch of the Financial Services and The Treasury Bureau on the estimated recurrent subvention, <u>C for R</u> said that the estimation was supported by the Treasury Branch. <u>Dr Pierre CHAN</u> enquired whether the approval of the Finance Committee should be sought for projects funded by the Lotteries Fund ("LF"). <u>C for R</u> responded that under the Government Lotteries Ordinance (Cap. 334), the Financial Secretary might approve monies from LF to finance welfare projects and the Administration would consult panel members on the relevant projects.
- V. Support measures for low-income households not living in public housing and not receiving Comprehensive Social Security Assistance [LC Paper Nos. CB(2)543/16-17(07) to (08)]

19. At the invitation of the Chairman, <u>Deputy Secretary for Labour and Welfare (Welfare)2</u> ("DS(W)2") briefed members on the support currently provided by the Administration for low-income households not receiving Comprehensive Social Security Assistance ("CSSA").

Medical fee waiver and healthcare vouchers for children from grass-roots families

20. Dr Pierre CHAN said that the medical fee waiver programme had been included in the paper provided by the Labour and Welfare Bureau (LC Paper No. CB(2)543/16-17(07)) as one of the Administration's support measures for low-income households not receiving CSSA. In his view, if the expenditure for medical fee waiver was under the account of the Hospital Authority ("HA"), this programme should not be regarded as a welfare-related measure. Expressing concern about whether low-income households who were neither public housing tenants nor CSSA recipients (hereunder referred to as the "N have-nots") or the needy would benefit from the assistance, he asked whether the expenditure for medical fee waiver in 2015-2016, which amounted to \$550 million, was under the account of welfare or that of HA. He also enquired whether the Administration would consider the suggestion of some concern groups about providing children from grass-roots families with healthcare vouchers. DS(W)2 responded that the suggestion of provision of healthcare vouchers would be relayed to the relevant policy bureau and the Administration would provide the required information on medical fee waiver.

Admin

(*Post meeting note:* The Administration's response was issued to members vide LC Paper No. CB(2)906/16-17(01) on 1 March 2017.)

Low-income Working Family Allowance

21. <u>Dr KWOK Ka-ki</u> said that the support measures currently provided by the Administration could not relieve the financial hardship of many low-income families, particularly those having children with special needs. Many of these families were unable to meet the working hour requirements under the LIFA Scheme as the parents had to take care of their children at home. Expressing concern that the Administration's policy review of the LIFA Scheme might take a long time to complete, he called on the Administration to relax the working hour requirements under the LIFA Scheme for these families as early as possible. <u>The Chairman</u> urged the Administration to seriously consider a substantial relaxation of the working hour requirements for single-parents, families having members with disabilities, and families having children with special needs. Inclusion of one-person households under the LIFA Scheme

should also be considered.

- 22. Mr Michael TIEN declared that he was a member of the Commission on Poverty ("CoP"). He said that some casual workers from low-income families had relayed to him that they were unable to meet the working hour requirements under the LIFA Scheme. They hoped that an additional working hour threshold (between 72 hours and 144 hours per month) should be included under the LIFA Scheme and an allowance of \$300 per month would be provided for households meeting this requirement. He took the view that one of the reasons for the low application rate for LIFA was that the amount of allowance was inadequate. He suggested that the full-rate Basic Allowance should be increased from \$600 to \$750 per month and eligible households with a monthly income higher than 50% but not higher than 75% of the Median Monthly Domestic Household Income ("MMDHI") (instead of not exceeding 60% of MMDHI) should receive the half-rate allowance.
- 23. <u>Dr LAU Siu-lai</u> said that many people from grass-roots families were unable to take up full-time employment or work many hours a month as they needed to take care of their family members. She urged the Administration to seriously consider setting an additional working hour threshold for these families under the LIFA Scheme. She also took the view that the Child Allowance should not be tied to the applicants' meeting the working hour requirements under the LIFA Scheme. The Child Allowance should be provided for all LIFA households even when the working hour requirements were not met.
- DS(W)2 responded that according to the Administration's analysis of 24. poverty statistics, while the working poor families not receiving CSSA had been working hard and striving for self-reliance, they were more prone to This was because these families had fewer working members and they needed to support more children. The LIFA Scheme was introduced with a view to relieving the financial burden of these families. self-reliance through employment, LIFA was tied to employment and working Lower working hour thresholds were set for single-parent families and a Child Allowance would be provided for each eligible child in a LIFA family. He further said that there was a view that a lower working hour threshold should be set for persons with disabilities and different levels of allowances should be considered for low-income working families living in private housing and those living in public housing. The Administration would take this view into account in the forthcoming comprehensive policy review of the LIFA Scheme.

- 25. In response to Dr KWOK Ka-ki's enquiry about the completion time of the policy review of the LIFA Scheme, <u>DS(W)2</u> said that the review would commence in mid-2017 and the Administration would endeavour to complete the review as early as practicable. <u>Dr KWOK Ka-ki</u> took the view that the Administration should start to review the LIFA Scheme now.
- 26. Noting that the Administration had abolished the absence rule under the LIFA Scheme before the review was conducted, the Chairman said that the working hour requirements should also be adjusted without waiting for the completion of the review. DS(W)2 responded that as the policy objective of the LIFA Scheme was to encourage self-reliance through employment, the requirements for working hours and income were the key parameters of the LIFA Scheme. Changes to these parameters should therefore be carefully considered in order not to undermine the policy objective of the LIFA Scheme. To this end, the Administration would collect information on the working hours and income of LIFA recipients and study the changes in these aspects before and after they received LIFA. As such information would be more meaningful after the LIFA Scheme had been implemented for a reasonable period, the Administration considered that the review of the LIFA Scheme should be conducted at least one year after its implementation. Administration would take into account members' views on the LIFA Scheme in conducting the review. In response to Mr POON Siu-ping's enquiry about the scope of the review, DS(W)2 said that the review would cover the policy aspects and the design of the LIFA Scheme which would include the income limits and working hour requirements. The Administration would brief members on the results of the review which would also be made public.
- 27. Dr Fernando CHEUNG said that the Administration had expected that around 200 000 eligible households would apply for LIFA but only around 30 000 applications were received. In light of the low application rate, the Administration should review the eligibility criteria and simplify application procedures of the LIFA Scheme. According the Administration's report on the poverty situation of ethnic minorities ("EMs"), although the employment rate of South Asians (e.g. Nepalese) was high, their poverty rate was also high. To help EMs to apply for LIFA, the publicity on the LIFA Scheme should be strengthened. The Support Service Centres for EMs ("SSCs") should not refuse to help EMs to complete the LIFA application Given that SSCs were funded by the Administration, policies should be formulated to require SSCs to assist LIFA applicants in filling out the providing application form. The Administration might consider administrative fees for SSCs to undertake the task. urged the He Administration to act without waiting for the results of the review.

- 28. <u>DS(W)2</u> responded that while the review of the LIFA Scheme would be conducted in mid-2017, the Administration had started collecting data such as the existing LIFA recipients' views on the application procedures, changes in the working hours of LIFA households, etc. by way of a dedicated survey among LIFA households. As for households who might be eligible but had not applied for LIFA, questions would be asked on the reasons why these eligible households did not apply for LIFA in an upcoming General Household Survey. In response to the enquiries of the Deputy Chairman and Mr POON Siu-ping about the reasons for the low application rate for LIFA, <u>DS(W)2</u> said that the Administration would have a better picture after analyzing the information collected from the General Household Survey.
- 29. Head, Working Family and Student Financial Assistance Agency ("Head, WFSFAA") said that the publicity on the LIFA Scheme had been launched since 24 November 2015. Since April 2016, briefing sessions on how to fill in the LIFA application form had been arranged at the 18 districts. Upon the invitation of some EM organizations, briefings on the LIFA Scheme had been arranged for EM groups at local districts and information on how to fill in the LIFA application form was provided at the briefings, some of which were organized after office hours. Starting from January 2017, the Working Family and Student Financial Assistance Agency ("WFSFAA") had engaged some non-governmental organizations ("NGOs") to help new LIFA applicants to fill in the application form. To simplify the application procedures, WFSFAA had revised the LIFA application form. Coupled with the applicants being more acquainted with the application procedures in the second round of applications that commenced in November 2016, the degree of completeness of the application forms submitted by the LIFA applicants had increased. The application form had been further simplified with the abolition of the absence rule and a new version of the form would be rolled out in end-January 2017.
- 30. <u>Dr Fernando CHEUNG</u> said that services for completing the LIFA application form for EMs should be provided during non-office hours or weekends. <u>The Chairman</u> said that additional resources should be provided for NGOs to provide such services. <u>Head, WFSFAA</u> responded that some of the briefings for EMs on how to fill in the application form had been conducted after office hours or on weekends. The NGOs engaged at a fee to help new LIFA applicants to fill in the application form would provide service, depending on their schedules. At Dr Fernando CHEUNG's request, <u>Head, WFSFAA</u> undertook to provide the number of successful LIFA applications from EM families with a breakdown by their ethnicities.

Admin

(*Post meeting note:* The Administration's response was issued to members vide LC Paper No. CB(2)906/16-17(01) on 1 March 2017.)

- 31. Mr LEUNG Kwok-hung said that the abolition of the Community Care Fund ("CCF")'s One-off Living Subsidy Programme for the N have-nots ("the One-off Living Subsidy Programme") had exacerbated the financial hardship of the N have-nots and many low-income working households were unable to benefit from the LIFA Scheme. He asked whether the Chairperson of CoP had been consulted about the termination of One-off Living Subsidy Programme and the timing for conducting the review of the LIFA Scheme and whether the Chairperson of CoP had given any directives in this regard.
- 32. <u>DS(W)2</u> responded that CoP was briefed on the Administration's proposal of conducting the review of the LIFA Scheme and the timing for conducting the review. The CCF Task Force reported to CoP regularly on the implementation of CCF assistance programmes including the One-off Living Subsidy Programme.
- 33. Mr LEUNG Yiu-chung said that the LIFA Scheme should seek to alleviate the financial burden of low-income working families rather than encourage their self-reliance through employment. As many grass-roots families could not work long hours due to family commitments and those that worked long hours would have earned an income above the LIFA income limits, he called on the Administration to review the objective and direction of the LIFA Scheme.
- DS(W)2 responded that poverty statistics had shown that quite a number of families were living below the poverty line although their family members were working full-time. Around 80% of workers coming from low-income families not receiving CSSA worked 144 hours or more a month. Administration considered that priority should be accorded to assisting non-CSSA working families living below the poverty line. working hour threshold was adopted in the LIFA Scheme. LIFA households which could not meet the higher tier threshold but fulfilled the lower tier requirement would still be eligible for the Basic Allowance. Appreciating that single parents might not be able to work long hours a month, lower working hour thresholds (i.e. 36 hours a month for Basic Allowance and 72 hours a month for Higher Basic Allowance) for single-parent families had been incorporated in the LIFA Scheme. The Administration had received views on relaxing the working hour requirements but there was no strong call for waiving such requirements.

- 35. <u>The Chairman</u> and <u>Dr LAU Siu-lai</u> expressed concern that many casual workers had difficulties in asking their employers to certify their working hours for applying for LIFA as they worked for different employers. <u>Head, WFSFAA</u> responded that causal workers or self-employed persons who had practical difficulties in providing documentary proof of working hours could make a statement to self-declare their working hours.
- Noting that some 18 400 applications for LIFA had not yet been approved, Mr POON Siu-ping asked whether these applications had been applications. rejected and the reasons for not approving these Head, WFSFAA responded that some of these applications were second-time applications and they were being processed. Around 1 200 applications were not approved for reasons which included failing to meet the working hour requirements, exceeding the income limits, exceeding the asset limits, and breaching the absence rule. Around 1 900 failed to provide sufficient information and around 2 000 applications were withdrawn.

Financial assistance for the N have-nots

- 37. Taking the view that the N have-nots were among the most needy groups, Mr Michael TIEN said that the Administration should not terminate the One-off Living Subsidy Programme because some of the short-term relief measures, e.g. paying one month's rent for tenants of public rental housing ("PRH"), had discontinued. He took the view that the Administration should provide living subsidy to the N have-nots on a regular basis.
- 38. Principal Assistant Secretary for Home Affairs (Community Care Fund) ("PASHA(CCF)") responded that as the Chairperson of the CCF Task Force had explained at the meeting of the Panel on Home Affairs ("HA Panel") on 21 December 2016, the One-off Living Subsidy Progarmme provided one-off cash subsidy for the N have-nots who could not benefit from the short-term relief measures introduced by the Budget. Given that fewer short-term relief measures were announced in the 2016-2017 Budget, there was insufficient justification for CCF to re-launch the One-off Living Subsidy Programme in 2017.
- 39. Mr CHAN Chi-chuen said that the HA Panel passed a motion at its meeting on 21 December 2016 urging the Administration to continue with the One-off Living Subsidy Programme until other assistance measures targeted at the N have-nots were implemented. Taking the view that many N have-nots were much worse off than PRH tenants as they were suffering from expensive rental, he said that the Administration should not abolish the One-off Living

Subsidy Programme on the ground that it no longer paid rent for PRH tenants. According to the Administration, the provision of rent allowance for the N have-nots might trigger a rise in the rental level in private housing and, in the end, recipients of the rent allowance might not benefit from it. He asked whether the Administration had projected the rate of increase in the rental level in private housing if this rent allowance was provided. PASHA(CCF) responded that such a projection had not been conducted. Dr LAU Siu-lai said that the Administration had benefited many property owners by waiving rates in previous Budgets. The Administration should not waive the rates but use the revenue generated from them for providing financial assistance for the N have-nots. Mr LEUNG Kwok-hung opined that it was a wrong policy to waive rates and reduce taxes as the Administration should help the needy rather than the rich.

- 40. The Deputy Chairman said that as many of the relief measures did not cover the N have-nots, the Administration should consider continuing with the One-off Living Subsidy Programme before the completion of the review of the LIFA Scheme. PASHA(CCF) responded that the One-off Living Subsidy Programme was not designed to address the problems faced by the N have-nots and assistance targeted for the N have-nots required further discussion. The Deputy Chairman reiterated that many N have-nots were in great financial hardship and the Administration should launch assistance programmes to relieve their financial burden.
- 41. In response to the Chairman's enquiry about whether CCF would follow up on the three motions passed at the meeting of the HA Panel on 21 December 2016, <u>PASHA(CCF)</u> said that the motions had been circulated to members of the CCF Task Force for reference.

(At 12:44 pm, the Chairman extended the meeting for 15 minutes beyond the appointed ending time to allow sufficient time for discussion.)

<u>Motion</u>

42. <u>Dr LAU Siu-lai</u> said that many N have-nots were low-income earners and suffered from expensive rental of sub-divided units. Many of them who lived in inadequate housing were overcharged by their landlords for water and electricity consumption as the landlords had not installed separate water and electricity meters for individual tenants. Living expenses of these N have-nots were high as they were not provided with any housing assistance by the Administration. The cessation of the One-off Living Subsidy Programme had

made their living even more difficult. In her view, the living subsidy for the N have-nots should be an on-going welfare measure under the purview of SWD. She urged the Administration to regularize the One-off Living Subsidy Programme and provide the N have-nots with utility subsidy. In this connection, she moved the following motion:

- 1. 立即繼續推行並恆常化"非公屋、非綜援的低收入住戶一次 過生活津貼",也需按通漲上調津貼發放金額;及
- 2. 在政府相關部門未有於《供電則例》及《水務設施規例》訂立轉售電力及水予第三者的罰則及規定業主必須為劏房戶安裝獨立水電錶,以阻止劏房業主濫收水電費之前,應透過關愛基金或在政府提供的津貼中直接撥款,向劏房戶發放能源補貼,以作過渡到完成制訂防止劏房業主濫收水電費的罰則及安排,並減輕劏房戶在水電費的經濟壓力。"

(Translation)

"That, given that the Community Care Fund has not extended the provision of the One-off Living Subsidy for Low-income Households Not Living in Public Housing and Not Receiving Comprehensive Social Security Assistance, and yet the households who are previous recipients of the subsidy, including those residing in sub-divided units ("SDU"), are unable to extricate themselves from poverty, resulting in a serious impact on their

daily living expenses, and they are at the same time subject to annual rent increases by landlords; in addition, as the existing Supply Rules of the two power companies (rule 217 of the Supply Rules of CLP Power Hong Kong Limited and rule 220 of the Supply Rules of The Hongkong Electric Company, Limited) stipulate that customers shall not re-sell electricity to third parties, and regulation 47 of the Waterworks Regulations (Cap. 102A) stipulates that no person shall re-sell water to any third party, but the Supply Rules and the Waterworks Regulations have not provided for the penalties for the prevention of illegal resale of electricity and water, SDU tenants are overcharged for water and electricity by their landlords who do not consent to the installation of separate water and electricity meters for them, with median water and electricity charges at \$12 per cubic metre and \$1.5 per unit respectively, both of which are higher than the respective maximum rates of \$11.47 per cubic metre and \$1.21 per unit currently chargeable for water and electricity; in the absence of energy subsidies from the Government, SDU tenants have to be sparing in their daily consumption of water and electricity in order to avoid being overcharged by their landlords, thus affecting the physical and mental health as well as the normal development of the SDU tenants and their children; in this connection, this Panel urges the Administration and the Community Care Fund Task Force to:

- 1. immediately continue to implement and regularize the provision of the One-off Living Subsidy for Low-income Households Not Living in Public Housing and Not Receiving Comprehensive Social Security Assistance, and adjust the rate of the subsidy upward in accordance with inflation; and
- 2. prior to the introduction in the Supply Rules and the Waterworks Regulations by the relevant government departments of penalty provisions against resale of water and electricity to third parties and the requirement for landlords to install separate water and electricity meters for SDU tenants in order to prevent SDU landlords from overcharging for water and electricity consumption, provide SDU tenants with energy subsidies, to be directly funded out of the Community Care Fund or subsidies provided by the Government, as an interim measure before the completion of formulation of penalties and arrangements to prevent SDU landlords from overcharging for water and electricity consumption, and alleviate the financial pressure on SDU tenants in terms of water and electricity charges."

- 43. <u>The Chairman</u> put the motion to vote. All members present voted for the motion. <u>The Chairman</u> declared that the motion was carried.
- 44. Mr LEUNG Yiu-chung said that since many tenants who lived in inadequate housing did not have separate water and electricity meters, they were overcharged by their landlords for water and electricity consumption. The Administration should amend relevant legislation to allow the installation of separate meters for water and electricity at the dwellings. Living subsidy for the N have-nots should continue until the relevant legislative amendments were made and implemented. In this connection, he moved the following motion:

"鑒於關愛基金取消為非公屋、非綜援的低收入住戶提供支援,而基於現時不適切居所租戶的水電錶均由業主安裝及管有,收費方法不透明,不少租戶遭到業主濫收水電費;就此,本會促請政府為此類住戶提供低收入家庭津貼,減輕他們的生活壓力,同時修訂相關法例,使電力公司及水務署更改安裝獨立水電錶的條件,令符合安全條件的單位,均可由業主或持有住址證明的租戶申請安裝電力公司及水務署的獨立水電錶,以免不適切居所的租戶被濫收水電費,因而可取消政府在這方面的資助支援。在未能修訂法例前,為此類住戶加強社福支援。"

(Translation)

"That, given that the Community Care Fund has withdrawn its support for low-income households not living in public housing and not receiving Comprehensive Social Security Assistance, and many tenants who live in inadequate housing are overcharged by their landlords for water and electricity consumption due to the fact that water and electricity meters are installed and possessed by the landlords, and fee charging process lacks transparency; in this connection, this Panel urges the Government to provide such households with low-income family allowances in order to alleviate their pressure of living, and, at the same time, amend relevant legislation to enable the power companies and the Water Supplies Department to change the conditions governing the installation of separate water and electricity meters, so that either the landlord or the tenant with address proof may apply to the power companies and the Water Supplies Department for the installation of separate water and electricity meters for a flat that satisfies the safety conditions, in order to prevent tenants living in inadequate housing from being overcharged for water and electricity consumption and hence justify the withdrawal of the Government's funding support in this regard; before legislative amendments can be made, social welfare support for such households should be strengthened."

- 45. <u>The Chairman</u> put the motion to vote. All members present voted for the motion. The Chairman declared that the motion was carried.
- 46. <u>Dr Fernando CHEUNG</u> suggested that deputations should be invited to attend a Panel meeting to give views on the support measures for the N have-nots. <u>Members</u> agreed.

IV. Any other business

47. There being no other business, the meeting ended at 12:48 pm.

Council Business Division 2 <u>Legislative Council Secretariat</u> 17 May 2017