

政府總部
勞工及福利局
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LABOUR AND WELFARE BUREAU
GOVERNMENT SECRETARIAT

Central Government Offices
Tim Mei Avenue
Tamar, Hong Kong

本函檔號 Our Ref.: LWB T4/18/6

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17 April 2018

Clerk to Panel on Welfare Services
Legislative Council Complex
1 Legislative Council Road
Central Hong Kong
Mr Colin CHUI

Dear Mr Chui,

**Legislative Council Panel on Welfare Services
Follow-up to meeting on 12 February 2018**

At the meeting of the Legislative Council (LegCo) Panel on Welfare Services on 12 February 2018, Members requested the Administration to provide supplementary information on the Comprehensive Social Security Assistance (CSSA) Scheme. I am authorised to reply as follows.

Average Monthly CSSA Payment

Under the CSSA Scheme, there are different standard rates for various recipients to meet their basic needs. Apart from standard rates, the CSSA Scheme also provides supplements and special grants to meet the special needs of its recipients. When we compare the average monthly CSSA payments with the average monthly expenditure of non-CSSA households in the lowest 25% expenditure group, the former is higher in all household categories. The relevant information as well as the average monthly expenditure at the 25th percentile of non-CSSA households are tabulated below -

Number of eligible household members	Average monthly CSSA payment of all CSSA cases* (1 February 2018) (\$)	Average monthly expenditure of non-CSSA households in the lowest 25% expenditure group (December 2017) (\$)	Average monthly expenditure at the 25 th percentile of non-CSSA households (December 2017) (\$)
1 person	6,201	4,702	7,200
2 persons	9,610	8,274	12,500
3 persons	12,730	11,596	16,100
4 persons	15,182	14,046	19,100
5 persons	17,462	17,050	23,800
6 persons or more	21,365	18,365	24,700

* This refers to the amount of CSSA payments received by CSSA households when they do not have other sources of income. One-off additional payment of CSSA standard rates is not included.

Expenditure on the CSSA Scheme

The number of CSSA cases, as well as the recurrent expenditure on the CSSA Scheme (excluding additional one-off payment) and its percentage in the total Government recurrent expenditure from the 2006-07 to 2017-18 are tabulated below -

Year	Number of CSSA cases*	Recurrent expenditure on the CSSA Scheme and its percentage in the total Government recurrent expenditure (\$ billion)
2006-07	294 204	17.6 (9.3%)
2007-08	285 773	17.0 (8.6%)
2008-09	289 469	16.6 (7.9%)
2009-10	287 822	17.9 (8.2%)
2010-11	282 732	17.4 (7.8%)
2011-12	275 383	18.5 (7.6%)
2012-13	267 623	18.7 (7.1%)
2013-14	259 422	18.4 (6.5%)
2014-15	251 099	19.5 (6.4%)
2015-16	242 903	20.0 (6.2%)
2016-17	236 522	21.2 (6.1%)
2017-18	232 134	20.6 (5.7%) (Revised estimates)

* This refers to the number of cases as at the end of respective financial years, except for 2017-18 which represents the number of cases as at end-2017.

It can be seen from the above table that while the number of CSSA cases dropped by more than 20% from over 290 000 in 2006-07 to about 230 000 in end-2017, the Government's recurrent expenditure on the CSSA Scheme (excluding additional one-off payments) increased from \$17.6 million in 2006-07 to \$20.6 million (revised estimates) in 2017-18, representing an increase of around 17%. It is worth noting that the Government's recurrent expenditure on social welfare doubled during the same period, i.e. increased from \$32.4 billion to \$65.8 billion (revised estimates). This clearly demonstrates the Government's commitment towards supporting vulnerable groups and needy persons.

Views on the CSSA Scheme put forward by the Panel Chairman

The Panel Chairman put forward 24 points on the CSSA Scheme. For views which are related to the level of CSSA payment rates, rent allowance and adjustment of the eligible age for elderly CSSA, we have elaborated the Administration's position in our supplementary information provided to the Panel on 1 December 2017 (LegCo Paper CB(2)449/17-18(01)). As regards the other views, our response is summarised below –

Objective of the CSSA Scheme and the one-household requirement

The CSSA Scheme aims to provide a safety net to meet the basic needs of those who are unable to support themselves financially. The amount of payment is the highest among all social security schemes. In view of its objective and to ensure that limited public resources are directed to those most in need, the CSSA Scheme is means-tested and the criteria should not be lenient.

Given that the CSSA Scheme is designed to be the safety net and members of the same family should support one another, applications for CSSA ought to be made on a household basis. CSSA recipients should first make use of their own financial resources (including financial assistance of family members living under the same roof and other relatives) to maintain their living. Under special circumstances, for example, where an elderly applicant has poor relationship with his/her family members, the Director of Social Welfare may allow an elderly person to apply for CSSA on his/her own on a case-by-case basis.

Employment assistance and the arrangements of disregarded earnings

At present, the Support for Self-reliance Scheme under the CSSA Scheme aims to encourage and assist able-bodied CSSA applicants aged 15 to 59 to secure employment moving towards self-reliance while providing them with financial assistance. The Scheme comprises the Integrated Employment Assistance Programme for Self-reliance (IEAPS) and the arrangement of Disregarded Earnings (DE).

The Social Welfare Department (SWD) has commissioned non-governmental organisations to operate IEAPS to assist able-bodied CSSA applicants to overcome work barriers and enhance their employability so that they can find paid employment as soon as possible through the provision of a range of one-stop integrated employment assistance on a family basis. Applicants have the obligations to seek work actively and are required to receive the employment assistance services provided by the operating agencies.

The objective of the arrangement of DE is to encourage CSSA applicants to secure and sustain employment. Recipients in cases which have been on CSSA for not less than two months are eligible for monthly DE. While the arrangement of DE provides economic incentive to encourage recipients to find and sustain employment, it may delay recipients' exit from the CSSA net if it is too generous. The Government must therefore strike a balance between encouraging recipients to work and ensuring effective use of public funds.

From October 2016, the Government implemented a three-year pilot scheme under the Community Care Fund to encourage disabled CSSA recipients to engage in employment by raising the maximum level of DE by 60% from \$2,500 per month to \$4,000 per month. We will review the effectiveness of the pilot scheme at an appropriate juncture.

Medical assessment mechanism and the disbursement of special grants

Under the CSSA Scheme, CSSA applicants/recipients who are disabled or in ill health are normally referred by SWD to public hospital or clinic for medical assessment. If the CSSA

applicants/recipients are medically certified as disabled or having limited capacity for work by medical doctors of the Department of Health or the Hospital Authority, SWD will disburse the corresponding standard rates to eligible applicants/recipients in accordance with the result of the medical assessment. If it is medically certified that the applicants/recipients concerned are in need of special diet, a Special Diet Allowance will be payable to them.

At present, the Special Diet Allowance covers the most common diseases, and comprises a higher rate and a lower rate to take into account the actual needs of different persons. At the same time, a special grant to cover the costs of medical, rehabilitation, surgical appliances and hygienic items is also payable to eligible CSSA applicants/recipients subject to medical recommendation. To safeguard proper use of public funds, applicants/recipients are required to purchase items that would meet their actual medical and rehabilitation needs in accordance with the medical recommendation.

Yours sincerely,

A handwritten signature in blue ink, appearing to be 'Miss LI Wan-in', written in a cursive style.

(Miss LI Wan-in)
for Secretary for Labour and Welfare

c.c.
Director of Social Welfare
(Attn: Miss Rita LAU, Mr Andrew KWAN)