

For discussion on  
12 February 2018

## **Legislative Council Panel on Welfare Services**

### **Comprehensive Social Security Assistance Scheme**

#### **Purpose**

This paper briefs Members on the overall situation of the Comprehensive Social Security Assistance (CSSA) Scheme.

#### **Background**

2. The CSSA Scheme aims to provide a safety net to meet the basic needs of those who are unable to support themselves financially because of old age, illnesses, disabilities, single parenthood, unemployment, low income, etc. The means test of the Scheme is conducted on a household basis, which is in keeping with the concept of promoting mutual support among family members. Taking an able-bodied singleton as an example, the current asset limit is \$31,000; and those for an elderly singleton and a two-person elderly household are \$47,500 and \$71,000 respectively.

3. As at end-December 2017, there were 232 134 households (involving 336 681 beneficiaries) under the CSSA Scheme. In 2017-18, the estimated recurrent expenditure for the CSSA Scheme is around \$20.8 billion, representing around 30.4% of the Government's recurrent expenditure on social welfare, and around 5.6% of the total recurrent expenditure of the Government.

#### **Financial Assistance under the CSSA Scheme**

4. 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 (including long-term supplement, single parent supplement, community living supplement, transport supplement and residential care supplement) and a series of special grants (including rental allowance, medical and rehabilitation grants, family grants, child-care grants, school grants, burial grant, etc.) to meet the special needs of different people. CSSA recipients are also exempted from fees for public healthcare services

5. In accordance with the established mechanism, the Government

adjusts CSSA standard payment rates (including CSSA standard rates and supplements) on an annual basis taking into account the movements of the Social Security Assistance Index of Prices (SSAIP). Following this mechanism, the CSSA standard payment rates have increased by over 18% in the past five years (i.e. between 2014 and 2018).

6. In terms of CSSA payments, the average CSSA monthly assistance for an elderly singleton and a four-person household in 2018 are \$6,394 and \$15,182 respectively. It is worth noting that 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 (relevant information is tabulated below).

Number of eligible family 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) (\$)
1 person	6,201	4,702
2 persons	9,610	8,274
3 persons	12,730	11,596
4 persons	15,182	14,046
5 persons	17,462	17,050
6 persons or more	21,365	18,365

\* This refers to the amount of CSSA payments received by CSSA households when they do not have any other sources of income.

7. The Government updates the weighting system of the SSAIP in accordance with the results of the Household Expenditure Survey on CSSA Households every five years to take into account the latest expenditure pattern of CSSA households and the impact of price changes. The last Household Expenditure Survey on CSSA Households was completed in 2014/15.

8. The Government has been keeping in view the various arrangements under the CSSA Scheme and introducing targeted measures to better address the needs of CSSA recipients. For example –

- (a) from the 2014/15 school year, regularising a Community Care Fund (CCF) programme to increase the grants for school-related

expenses for primary and secondary students of CSSA households by \$1,000;

- (b) from April 2014, including post-secondary students of CSSA households in the calculation of rent allowance so that a family's entitlement to rent allowance will not be affected if it has member(s) receiving post-secondary education;
- (c) from October 2016, implementing a three-year pilot scheme under the CCF to encourage disabled CSSA recipients to engage in employment by raising the maximum level of disregarded earnings by 60% from \$2,500 per month to \$4,000 per month;
- (d) from February 2017, while maintaining the requirement that applications for CSSA must be made on a household basis, abolishing the arrangement for relatives concerned to make a declaration on whether they provide the elderly persons who apply for CSSA on their own (e.g. any elderly person who does not live with his/her children) with financial support (the so-called 'bad-son statement'); and
- (e) in November 2017, relaunching the 'Subsidy for CSSA Recipients Living in Rented Private Housing' for two years, and adjusting the arrangements so that the actual rent paid by eligible CSSA households is taken into account in calculating the amount of subsidy. This will serve as the basis for a possible model for regularising the programme in future.

9. The Government will continue to closely monitor the operation of the CSSA Scheme, and introduce improvement measures in a targeted manner at an appropriate juncture.

## **Conclusion**

10. Members are invited to note this paper.

Labour and Welfare Bureau  
Social Welfare Department  
February 2018