

立法會
Legislative Council

LC Paper No. CB(2)734/99-00

(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

LegCo Panel on Welfare Services

**Minutes of meeting
held on Monday, 12 July 1999 at 10:45 am
in the Chamber of the Legislative Council Building**

- Members Present** : Hon CHAN Yuen-han (Chairman)
Hon HO Sai-chu, SBS, JP (Deputy Chairman)
Hon Cyd HO Sau-lan
Hon LEE Cheuk-yan
Hon LEE Kai-ming, SBS, JP
Hon Fred LI Wah-ming, JP
Hon Ronald ARCULLI, JP
Hon CHOY So-yuk
Hon LAW Chi-kwong, JP
- Members Absent** : Hon David CHU Yu-lin
Hon Eric LI Ka-cheung, JP
Dr Hon YEUNG Sum
Hon YEUNG Yiu-chung
- Member Attending** : Hon LEUNG Yiu-chung
- Public Officers Attending** : Item II - Neighbourhood Level Community Development Projects (NLCDP) - Policy and NLCDP Team in Tai O

Mr Carlos LEUNG
Assistant Director of Social Welfare
(Youth/Human Resource Management)

Mr M C FUNG
Senior Social Work Officer (Youth)

Mr Parrish NG
Principal Assistant Secretary for Home Affairs

Ms Bonnie YAU
Assistant Secretary for Home Affairs

Item III - Hong Kong Red Cross Report on the Operation of the PCSSA Scheme

Item IV - CSSA issues (a) Effect of the Tightening of CSSA on the elderly and the disabled

Mr HO Wing-him
Deputy Secretary for Health and Welfare 2

Mrs Marion LAI
Deputy Director of Social Welfare(Administration)

Mrs Rachel CARTLAND
Assistant Director of Social Welfare (Social Security)

Mr CHENG Chok-man
Chief Social Security Officer, Social Welfare Department

Item IV - CSSA issues (b) Extension of grace period for sale of owner-occupied residential property and after school care service allowance for single parent families

Mr HO Wing-him
Deputy Secretary for Health and Welfare 2

Mrs Marion LAI
Deputy Director of Social Welfare(Administration)

Miss Ann LAU
Assistant Director of Social Welfare
(Family and Child Welfare)

Mrs Rachel CARTLAND
Assistant Director of Social Welfare (Social Security)

Mr Carlos LEUNG
Assistant Director of Social Welfare
(Youth/Human Resource Management)

Mr CHENG Chok-man
Chief Social Security Officer,
Social Welfare Department

Item V - Any other business - Payment of wages for workers in sheltered workshops

Miss Ophelia CHAN
Assistant Director of Social Welfare
(Rehabilitation & Medical Social Services)

By Invitation : Item II - Neighbourhood Level Community Development Projects (NLCDP)

鄉郊社區服務大聯盟

Mr KWOK Keung-wah
Mr WU Wai-hung
Mr KUO Chun-chuen

Tai O residents

Miss WONG Wai-king
Miss CHOW Mai-lui
Mr KUO Chun-chuen

Item III - Hong Kong Red Cross Report on the Operation of the PCSSA Scheme

Hong Kong Red Cross

Mr WONG Mok-fai, Wilson
Ms LEE Ching, Jane
Miss LAM Chuen-ping

Item IV - CSSA issues

全港關注綜援削減託管津貼大聯盟

Ms CHIU Wai-yee
Ms TONG Kit-ling

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荃灣明愛關注綜援削減託管津貼小組

Ms CHAN Sau-king

Ms SIN Fung-yee

香港單親婦女綜援權益會

Ms LEE Kwai-chun

Ms HO Shin-yee

Ms CHEUNG Chau-lin

自住物業單親綜援組

Ms SZE Sik

Ms YU Chun-chu

Ms WAI Kit-fong

Miss WONG Wai-ling

關注單親綜援自住物業小組

Ms TSANG Wai-ha

Ms LO Lai-ping

Ms YIP Lai-hing

Clerk in Attendance : Ms Doris CHAN
Chief Assistant Secretary (2) 4

Staff in Attendance : Ms Joanne MAK
Senior Assistant Secretary (2) 4

I. Date of next meeting and items for discussion

LC Paper No. CB(2)2520/98-99(01)

LC Paper No. CB(2)2520/98-99(02)

Members noted the list of issues to be considered by the Panel and decided that the following items would be discussed at the next meeting on 13 September 1999 at 10:45 am -

- (a) Active Employment Assistance Programme; and
- (b) Social networking for the elderly.

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II. Neighbourhood Level Community Development Projects (NLCDP) - Policy and NLCDP Team in Tai O

LC Papers Nos. CB(2)2520/98-99(03), CB(2)2435/98-99(01), CB(2)2520/98-99(04), CB(2)1849/98-99(01) and CB(2)2520/98-99(08)

2. The Chairman invited the deputations (viz 鄉郊社區服務大聯盟 and Tai O residents) to present their views on the above subject before the Panel proceeded with discussion on the Administration's responses.

Views of 鄉郊社區服務大聯盟

3. Mr WU Wai-hung said that 鄉郊社區服務大聯盟 did not agree with the Administration's decision not to extend the Neighbourhood Level Community Development Projects (NLCDP) to rural areas, particularly to the rural squatter areas which had been a target of NLCDP services over the past two decades, without adequate consultations. He considered that the reason given by the Administration, i.e. that the role of NLCDPs in filling gaps in welfare service provisions in deprived and transient communities was fast diminishing, did not hold true for rural squatter areas. He informed members that a survey had been conducted by a group of voluntary social workers in Northern New Territories in 1998, which produced the following findings -

- (a) There was a problem of a rapidly ageing population in the rural villages which by proportion tripled that of the general population. Many elderly people in rural squatter areas were living on their own or with a couple of other elderly persons under the same roof;
- (b) In recent years, a large number of people, mostly new arrivals from the Mainland, had moved into rural squatter areas. It was a common phenomenon that these people suffered from a feeling of neglect and deprivation and therefore were badly in need of welfare services and support for integration into the local community;
- (c) Although the past 20 years had seen a lot of improvements in the overall provision of welfare and community building services, the situation was not the same for rural areas. People living in many rural areas were still suffering from inadequate community support facilities such as deteriorating road access and environmental hygiene. About 50 to 60% of the respondents in the survey saw no prospect for the situation to improve. Furthermore, more than 90% of the respondents had no knowledge of what services were available to them, while only 1% had ever turned to others such as social workers or Provisional District Board members for assistance;
- (d) The growth in the provision of social and community services only

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clustered around areas in the vicinity of Fanling/Sheung Shui railway stations. However, for the elderly persons living in remote and isolated squatter villages, there were immense difficulties to travel a long distance to seek such services.

4. Mr WU Wai-hung called upon the Administration to reconsider its decision not to extend NLCDP service which would be a disservice to the people living in rural squatter areas.

The views of Tai O residents

5. Miss WONG Wai-king informed the meeting that Tai O, being a remote area with a small population of less than 3 000, had all along been short of adequate community network facilities. Due to the lack of employment opportunities, the majority of able-bodied adults had already moved out from Tai O to the urban areas. Today, more than 1 000 residents in Tai O were aged 60 or above, many of whom were single elderly who needed the assistance of social workers in their daily living. Miss WONG said that there were at present only three social workers in Tai O, who could hardly be expected to be able to provide services at a satisfactory level. The situation was aggravated by the cut in Form Four places which added to the concern about an increasing number of children with behavioural problems. Furthermore, with the announced plan of the Government to develop Tai O into a new tourist centre, more people were anticipated to move into the area in the future. For all these reasons, Miss WONG considered that NLCDP services in Tai O should be strengthened rather than discontinued.

The Administration's responses

6. At the invitation of the Chairman, The Administration made the following comments in response to the deputations' submissions -

- (a) The decision not to extend NLCDP service to rural areas, new towns and public housing estates not yet affected by redevelopment was taken by the Executive Council in December 1995, having regard to the substantial expansion in the overall provision of welfare and community building facilities over the past 20 years as well as the full implementation of the District Administration Scheme, and after taking full account of the views of all parties concerned, including the welfare sector and resident groups;
- (b) At present, there were more than 30 different types of services provided by the Social Welfare Department (SWD) in the Northern N.T. district, which were comparable to that available in other districts. Many out-reach projects to improve the social service network were undertaken by SWD in conjunction with the Home Affairs Department and the Housing Department as well as non-government organizations (NGOs);

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- (c) As far as Tai O was concerned, there were relatively fewer services available when compared with other areas in view of its small and scattered population, which presently stood at 2 300. As the population fell short of the population criterion of between 3 000 to 15 000 for NLCDP service, the Administration found it necessary to reconsider whether there were still sufficient justifications for NLCDP service to continue in Tai O, in light of the recommendations made by the Audit Commission (Audit) in its review conducted in 1997 to examine the Administration's management of NLCDP service;
- (d) The Administration had not lost sight of the need to provide community welfare services to remote areas. For example, in 1998-99, the Administration had embarked upon 478 rural environmental improvement projects involving a total of \$290 million. For 1999/2000 the Administration had planned to spend about \$610 million on some 570 projects to further improve the rural environment. The resources used in the provision of welfare and community services in 1999-2000 would amount to \$28.9 billion, representing a 70-fold increase as compared with 1976-77 when NLCDP services were introduced.

Points raised by members

7. Mr LEE Cheuk-yan enquired whether the undertaking of the projects as mentioned by the Administration was actually a result of the efforts made by the NLCDP teams of the NGOs to organize local residents so that their needs could be reflected and pursued. In response, Principal Assistant Secretary for Home Affairs (PAS(HA)) said that it would be fair to say that the achievements were due to the contributions made by all parties concerned, including members of the Legislative Council, members of the Provisional District Boards, the Heung Yee Kuk, the Rural Committees as well as other community leaders.

8. Mr LEUNG Yiu-chung said that NLCDP teams played a very important role in bringing about improvements to rural community facilities. He cited the completion of the water works projects to solve the problem of frequent floods suffered by residents of the Yick Yuen Tsuen in Tuen Mun as one example. Referring to the submission from Tai O residents, Mr LEUNG Yiu-chung and Mr HO Sai-chu agreed that to suspend the NLCDP service in Tai O would create genuine problems to the residents living there. They called upon the Administration to give favourable consideration to the views expressed by the deputation.

9. Mr LEUNG Yiu-chung further remarked that there were still many people living in geographically isolated areas whose need for services had been ignored. Noting that a population criterion of between 3 000 to 15 000 was a necessary

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condition for an area to be selected as a project area under the NLCDP Scheme, Mr LEUNG asked whether the criterion could be relaxed, taking the factor of geographical remoteness into consideration. Echoing Mr LEUNG's view, Mr LEE Kai-ming said that the Administration should exercise flexibility on an individual case basis in applying the population criterion for determining priority areas for NLCDP service.

10. In response to members' views, PAS(HA) advised that the criteria for nominating priority areas as set out in the Annex to the Administration's paper (LC Paper No. CB(2)2520/98-99(03)) reflected the existing policy on NLCDP. Subsequent to the Audit's review, the Administration had undertaken to follow-up the Audit's recommendations. As a work priority, the Administration and the relevant parties would first review the NLCDP teams serving areas with a population of below 3 000 and without clearance dates. The NLCDP team serving Tai O would belong to this category. Assistant Director of Social Welfare (Youth/Human Resource Management) added that apart from NLCDPs, SWD had carried out various other out-reach programmes in conjunction with NGOs and voluntary agencies. He assured members that services would be provided to areas where there were justifiable needs.

11. Mr Fred LI pointed out that the Hong Kong Council of Social Service had conducted a Study on Needs and Services Utilization in Rural Area and a report on the study was published in May 1998 (a copy of the report had been circulated to members vide LC Paper No. CB(2)2520/98-99(08)). He wondered whether the Administration had been provided with this report and requested the Administration to respond to the views and recommendations made in the report in writing.

(Post-meeting note : Subsequent to the meeting, the Administration, after searching through its records, confirmed that both HAB and SWD had not received the said report.)

12. In reply to a further question from Mr Fred LI, PAS(HA) advised that tension between indigenous and non-indigenous residents was not a common feature of rural villages. The Administration and the relevant Provisional District Boards had been taking appropriate measures, through a series of community building programmes, to promote community integration.

13. PAS(HA) said that the Government was currently discussing with the organizations concerned on how best to carry out Audit's recommendations. Members' views expressed at the meeting would be taken into consideration by the Administration.

III. Hong Kong Red Cross Report on the Operation of the PCSSA Scheme

LC Papers Nos. CB(2) 2318/98-99(01), CB(2) 2249/98-99(01), CB(2)2435/98-99(02) and CB(2)2520/98-99(05)

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Submission from the Hong Kong Red Cross (HKRC)

14. Mr Wilson WONG of the HKRC tabled for members' reference updated information on the Portable Comprehensive Social Security Assistance (PCSSA) Scheme (circulated to members vide LC Paper No. CB(2)2544/98-99(02) after the meeting).

15. At the invitation of the Chairman, Mr Wilson WONG summarized the findings of the HKRC's report and the recommendations made therein. The PCSSA Scheme, which came into operation on 1 April 1997, allowed elderly CSSA recipients to continue to receive benefits after they had moved to Guangdong. The HKRC was appointed as the agent of SWD to implement the Scheme for two years from April 1997. Its main duty was to carry out checks on PCSSA cases by means of postal reviews and home visits. Each year, five percent of PCSSA cases would be randomly selected for visits by HKRC to ensure that the PCSSA recipients had properly received their benefits. As at 8 July 1999, a total of 1 507 approved PCSSA cases had been referred to HKRC. About 90% of the PCSSA recipients were aged 70 or over, and more than half of them were receiving regular medical treatment. In addition, 15.1% of the PCSSA recipients were classified as 100% disabled, and another 5.8% required constant attendance.

16. Mr Wilson WONG advised that the report prepared by HKRC in 1998 focused on the implementation of the PCSSA Scheme in the first year. In the report, HKRC had made some recommendations based on its observations and a study conducted by Dr Joe C B LEUNG of the University of Hong Kong on the PCSSA participants who had already settled in Guangdong. The gist of the recommendations were as follows -

Pre-migration support services

- (a) Pre-migration interviews of the PCSSA recipients were essential to help them appraise their needs, the reliability of family support and the availability of social service support in the Mainland;
- (b) Assistance should be rendered to the PCSSA recipients to ensure that remittance of CSSA benefits could be made on time to Guangdong;
- (c) As most of the PCSSA participants were elderly persons in precarious state of health, their physical conditions should be assessed before departure for Guangdong. The Hong Kong Special Administrative Region (HKSAR) Government should also consider arranging recognized medical assessment in the Mainland;
- (d) Subsidized escort service should be provided to the needy recipients; and
- (e) There should be simplified procedures to enable the PCSSA recipients

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who were formerly public housing tenants to receive public rehousing if they chose to return to Hong Kong. Without such a guarantee, many would be hesitant to join the PCSSA Scheme.

Post-settlement support services

- (f) As more than 90% of the PCSSA participants preferred to live with their family members or relatives in Guangdong, they should not be forced to accept collective institutional care in the Mainland;
- (g) Follow-up visits should be conducted to ensure the adaptation of the PCSSA recipients to the new living environment and the sustainability of family support to the elderly;
- (h) The HKSAR Government should consider providing affordable medical care to PCSSA recipients in Guangdong in view of the high medical costs there. One option would be the payment of a monthly medical allowance to the recipients. The SWD could also explore with the Guangdong authorities the possibility of setting up health schemes, under which medical expenses incurred by the PCSSA elderly could be reimbursed on a fully accountable basis; and
- (i) The HKSAR Government should consider providing burial subsidies with an upper limit in order to lessen the burden of the family members of the PCSSA participants in the Mainland. This could also help reduce fraud cases by encouraging proper reporting of the death of PCSSA recipients in the Mainland.

Points raised by members

17. Mr LAW Chi-kwong supported the recommendations made by the HKRC. He opined that the introduction of the PCSSA Scheme had benefited both the participants of the Scheme and the Administration. To the participating elderly, the Scheme provided an opportunity for them to seek a better living in Guangdong and to live with their family members there. To the HKSAR Government, the Scheme reduced the Government's financial responsibility in the form of savings in medical and housing expenditure. According to Mr LAW's estimation, the Administration could save up to more than \$15,000 per year per CSSA recipient joining the Scheme. He agreed with the HKRC's view that the long-term success of the PCSSA Scheme depended to a large extent on how to relieve the PCSSA recipients and their family members of the burden of the high costs of medical services in Guangdong, which was a major deterrent factor for the Scheme. He suggested that an independent study should be conducted on the matter.

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18. Deputy Secretary for Health and Welfare 2 (DS(HW)2) said that the PCSSA Scheme had produced positive results since its introduction in 1997. As indicated in the HKRC report, almost 95% of the respondents said that the Scheme met their needs. Almost all the respondents claimed that they generally enjoyed lower cost of living, better social care and relationship, better housing facilities and living environment in Guangdong. He said that the recommendations of the HKRC would be carefully considered in the review of the Scheme which was about to be completed by the Administration. The Administration intended to seek the advice of the Social Welfare Advisory Committee (SWAC) on the matter shortly.

19. Mr HO Sai-chu said that when consulting the SWAC, the Administration should provide the SWAC with factual information on savings arising from the implementation of the PCSSA Scheme.

20. In response to Mr LAW Chi-kwong's comment on savings arising from the PCSSA Scheme, DS(HW)2 said that total Government expenditure on medical and housing services had not been reduced since the introduction of the Scheme.

21. Regarding the concern about high medical costs in the Mainland, DS(HW)2 advised that the Administration had examined the possibility of medical insurance coverage for the PCSSA participants. However, it had come to the view that insurers were unlikely to be prepared to provide such facilities because of the high risk involved. Assistant Director of Social Welfare (Social Security) (ADSW(SS)) added that apart from the cost factor, the types of medical services which were available in the Guangdong was another important matter of concern for people who had yet to decide on whether or not to join the PCSSA Scheme.

22. Commenting on the HKRC's proposal for an allowance to be paid to the PCSSA recipients to cover medical expenses incurred in Guangdong, DS(HW)2 pointed out that the implications of the matter should be carefully considered from a macro perspective. He said that the proposed measure involved a fundamental question of principle as to whether or not taxpayers should continue to bear the responsibility for paying a person the benefits available under a non-contributory benefit scheme after the person had already left the place where the scheme was operated. There were no precedent cases of like nature in other jurisdictions.

23. In response to Mr Fred LI, DS(HW)2 said that some discussions on the matter of medical assistance for PCSSA recipients had taken place with the Mainland authorities. The Administration would report progress to the Panel when it was in a position to do so.

24. Referring to the five percent random checking on PCSSA cases, Mr Fred LI said that the monitoring was inadequate in view of the age and health status of the elderly participants. He suggested that home visits should be arranged for all cases in

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one year and then a complete follow-up exercise should be conducted at two to three-yearly intervals, coupled with regular postal or phone call reviews. ADSW(SS) replied that the spot-checking system was to guard against possible abuses of the Scheme. The present mechanism and procedures were considered effective to achieve that purpose.

Conclusion

25. The Chairman called upon the Administration to take on board the views expressed at the meeting. She suggested that the subject should be further discussed by the Panel on the completion of the Administration's review.

IV. CSSA issues

LC Paper No. CB(2)2520/98-99(10)

(a) Effect of the tightening of CSSA on the elderly and the disabled

LC Paper No. CB(2)2250/98-99(11)

(b) Extension of grace period for sale of owner-occupied residential property and after school care service allowance for single parent families

LC Papers Nos. CB(2)2435/98-99(03), CB(2)2520/98-99(06), CB(2)2520/98-99(07) and CB(2)2520/98-99(09)

Effect of the tightening of CSSA on the elderly and the disabled

26. Mr LAW Chi-kwong said that he was against the change in CSSA policy which required elderly persons living with their family members to apply for CSSA on a household basis. He opined that under the previous arrangement, an elderly person could apply for CSSA on his own on the ground of lack of family support. This represented recognition of the rights of the elderly as an independent individual and respect for his past contribution to the community. Under the new policy, however, there was the undesirable consequence of forcing the income-earning family members living with the elderly to apply for CSSA against their will. Mr LAW said that whilst he appreciated that there had been substantiated fraudulent CSSA claims in the past, such cases constituted only a minority of the total CSSA cases. They by no means justified taking such a broadbrush remedial approach as the new measure now introduced.

27. Echoing Mr LAW Chi-kwong's views, Mr Fred LI said that the tightening of CSSA on the elderly might force some of the elderly to leave their families and then apply for CSSA on their own. This would not work to the benefit of the elderly and would in the end defeat the purpose of the new measures to cut down on CSSA payment.

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28. DS(HW)2 responded that according to information available to the Administration, about half of the single elderly on CSSA had family members in Hong Kong, and about 40% of whom were in fact living with their family members. Therefore, the Administration had doubts as to whether these elderly CSSA recipients were people without care and support from their family members. The new policy was considered necessary to plug the loophole of people taking advantage of the CSSA Scheme for personal gains.

Extension of grace period for sale of owner-occupied residential property and after school care service allowance for single parent families

29. The Chairman invited the deputations (viz 全港關注綜援削減託管津貼大聯盟，荃灣明愛關注綜援削減託管津貼小組，香港單親婦女綜援權益會，自住物業單親綜援組 and 關注單親綜援自住物業小組) to present their views on the above subjects. The major issues raised by the deputations were as follows -

Treatment of owner-occupied residential property

- (a) The new policy to include the net value of an owner-occupied residential property for the asset test for the purpose of CSSA was unfair because such property was solely for self-occupancy and there was no intention on the part of the owner to make a profit out of disposing of the property. For unemployed CSSA recipients, they would be doubly hit by having to pay rental expenses after selling the property;
- (b) The Administration had failed to provide guidelines in dealing with certain matters arising from the new policy, such as
 - (i) the method of assessing the value of a property in the urban area as opposed to a similar type of property in the rural area, having regard to the fact that the value of a property varied with its location;
 - (ii) protection of the interests of people who could not sell their property within the grace period of 12 months, or who might be forced to sell the property at an extremely low price, or those who had borrowed money from others for the original purchase of the property but without valid proof of their debt;
 - (iii) properties involving co-ownership or properties which were estates involving a number of beneficiaries;
- (c) Single parent families should be exempted from the new policy;

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- (d) Public housing assistance should be provided to CSSA families affected by the new policy as soon as possible provided that they satisfied the prevailing criteria; and
- (e) It was questionable whether the new policy could achieve the purpose of forcing people out of the CSSA net. In fact, when people found it impossible to support their family after disposing of their self-owned residence, they might have no choice but to re-apply for CSSA.

After school care service allowance

- (f) Many cases of children on after school care programme (ASCP) were justifiable cases referred by social workers. The decision of the Administration to scrap the special grant payable to cover ASCP fees for able-bodied children was a total disregard of the immense stress and hardship faced by parents, particularly single parents or parents who had received little education or having serious health problems. It also deprived the children of the opportunity to receive proper care and to make progress in their school work in a healthy environment. The other dire consequences were the likelihood of deterioration in parent-children relationship and family problems, exposure of children to undesirable hazards and abuses, and a greater number of children going astray;
- (g) The new measure to cut the allowance for ASCP fees, which took effect on 1 June 1999, was a draconian policy decision without justifiable grounds. Furthermore, there was confusion in its implementation, as evidenced by the fact that parents had been given inaccurate and conflicting advice when they made enquiries with the SWD;
- (h) Given the above reasons, those who were previously in receipt of the special grant with no change in family conditions should continue to be entitled to such benefit.

30. Mr LEE Cheuk-yan expressed the view that CSSA recipients affected by the tightening measures were victims of a policy which "robbed the poor for the benefit of the rich". He criticized the Administration for setting the wrong priorities because, despite the savings resulting from reduced CSSA payment, the new measures would incur much greater costs to the community as a whole in terms of the long-lasting damaging effect on those families on CSSA, particularly the single parents and their children.

31. The Administration responded that the recommendation to cut down the types of special grants for able-bodied adults and children to those which were absolutely essential was explained in the Report on the CSSA Review published in December 1998, on which

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public consultation had been conducted. Based on the prime objective of promoting support for self-reliance, it was necessary to implement the overall recommendations in the Report to guard against reliance on CSSA as a preferred option. Participation in ASCP was not considered absolutely essential for able-bodied children. Nonetheless, under the new measures, special grants currently payable to recipients who were old, disabled or medically certified to be in ill-health would not be affected. On the other hand, single parents who experienced difficulties in looking after their children, such as in supervising their school work, could seek assistance from NGOs and welfare groups which provided after school tutorial classes together with other associated activities as an alternative to ASCP. School social workers and caseworkers of Family Services Centres of SWD also offered a wide range of counselling and assistance to children having behavioural or emotional problems. The Administration further pointed out that the 1998 CSSA Review originally proposed that single parents on CSSA should be required to seek work when their youngest child reached 12. The proposal had been dropped. In other words, single parents on CSSA were still given the choice to take care of their children at home until their youngest child reached 15.

32. Concerning treatment of owner-occupied property held by CSSA recipients, the Administration explained that the spirit of the new policy was to rectify an anomaly in relation to the asset test under the CSSA Scheme, i.e. it would be unfair that a family owning a residential property was eligible for CSSA while another family owning other assets of a lesser value was denied assistance. In recognition of the special difficulties which some single parents with young children might face, the Director of Social Welfare had the discretion to extend the grace period of 12 months so that single parent families with young children could continue to receive assistance without disposing of their residential property, provided that the youngest child in the family was below 15 and that the total value of the assets held by the family including the net value of the owner-occupied property was insufficient for the maintenance of the family for 10 years according to CSSA standards. It was believed that most of the single parent recipients with young children who were living in self-owned properties would benefit from this provision. The Administration said that the present arrangement had struck a right balance between fairness to the CSSA recipients and to the taxpayers.

33. Miss Cyd HO Sau-lan opined that clear explanation and guidelines should be provided to remove confusion and misunderstanding about the new policies. She also urged the SWD to strengthen assistance for single parents and their children and to refer them to the services provided by NGOs and welfare groups whenever appropriate.

Conclusion

34. The Chairman considered that the above CSSA related issues should be followed up at the next meeting on 13 September 1999 in the overall context of support for self-reliance under the CSSA Scheme.

35. Miss Cyd HO Sau-lan suggested that the meeting scheduled for September might

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be advanced to the end of July so that the CSSA issues could be further discussed. The Chairman noted the suggestion and asked the Clerk to seek members' views after the meeting as to whether another meeting in July should be held.

(Post-meeting note : Members were generally in favour of holding the next meeting on 13 September 1999 to discuss the Active Employment Assistance Programme and follow up other outstanding CSSA issues.)

V. Any other business

Payment of wages for workers in sheltered workshops

36. Assistant Director of Social Welfare (Rehabilitation and Medical Social Services) (ADSW(R&MSS)) informed members of the present position regarding delayed payment of wages to workers in the six sheltered workshops administered under the SWD. She explained that the delay was due to the failure of a number of clients to pay on time for the orders which they had placed with the sheltered workshops and the lack of flexibility on the part of the management of the sheltered workshops in applying the procedures for wage payment. She advised that the SWD had undertaken rectification measures by paying the workers their wages accrued since March 1999 on 21 June 1999. To date, arrears of wages up to the end of May had been paid to the workers in all the six sheltered workshops.

37. ADSW(R&MSS) further explained that the case was an isolated incident. She advised that clients who placed orders with the sheltered workshops were normally allowed a payment period of 30 days after the date of issue of invoice. Most of them had been consistent in their payments. Consequent upon this incident, the SWD had conducted a review to improve the wage payment mechanism, and supervisors of the sheltered workshops had been reminded to monitor closely on the payment procedures to ensure that there would be no recurrence in the future.

38. In response to the Chairman, ADSW(R&MSS) said that under the existing system, complaints from workers in sheltered workshops could first be channeled to the workshop supervisor for follow-up action. Where necessary, the matter could be brought to the attention of the District Chief Social Welfare Officer (CSWO) who was the designated officer handling complaints from staff and the public (in this case the workers). Alternatively, a worker could also lodge his complaint directly to the Regional Officer if he so wished.

39. Mr Fred LI and Mr LAW Chi-kwong said that delay in payment on the part of the

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client manufacturers was not an excuse for not paying the workers on time. Mr HO Sai-chu and Mr LEE Cheuk-yan pointed out that failure of an employer to pay wages to the employees when wages became due was an offence under the Employment Ordinance. Despite the question of whether or not there existed a direct employer /employee relationship between the SWD and workers in sheltered workshops, the SWD, being a provider of welfare services, was duty-bound to ensure that the workers' interests would not be prejudiced. They were disappointed that wages for the workers for June still remained outstanding and urged the Administration to effect payment immediately.

40. AD(SW)(R&MSS) noted members' views. She advised that the SWD was liaising closely with the Finance Bureau, the Labour Department and the Department of Justice to deal with the various issues arising from the incident, such as to examine the relationship between the SWD and workers in sheltered workshops as well as the responsibility and obligation of the Department in relation to the workers. She further informed members that a Working Group within the SWD was currently conducting an overall review of the mode of operation of sheltered workshops and their role in rehabilitation. She undertook to report to the Panel the outcome of the review in due course.

Adm

41. The meeting ended at 1:35 pm.

Legislative Council Secretariat
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