

(Translation)

29 November 1998

The Welfare Right Concern Association for CSSA
Single Parents, Hong Kong

Submission on the Review of the
Comprehensive Social Security Assistance (CSSA) Scheme

Regarding the CSSA Scheme, the Social Welfare Department (SWD) has pointed out that those CSSA recipients who are considered as having no time to work, such as those housewives who have to rely on CSSA on the grounds of having to take care of young children, should be encouraged to take up part-time jobs. For those CSSA recipients who take up part-time jobs, the SWD has proposed that part of their income might be disregarded in the calculation of CSSA, in accordance with the following formula:

The first \$451 of the monthly income and half of the next \$2,708 can be disregarded in the calculation of income. Therefore, the maximum amount of disregarded monthly income is \$1,805. For a monthly income exceeding \$3,159, the full amount in excess of \$3,159 will be considered as income in the assessment of CSSA eligibility.

We recommend that for CSSA recipients taking up part-time jobs, the ceiling for disregarded income should be raised. The first \$1,500 of the monthly income and half of the next \$1,658 should be disregarded. The income ceiling for full-time jobs should remain at \$3,159 while the maximum amount of disregarded monthly income should be set at \$2,330. The method of calculation is set out as follows:

| | | | | |
|--------------|-------------|-------------------|-----------|-------------------------------|
| income | half of the | income in excess | | maximum |
| below \$1500 | next \$1658 | of \$3159 be | | amount of |
| be | be | calculated in the | | disregarded |
| disregarded | disregarded | assessment of | | monthly |
| in full | | CSSA eligibility | | income |
| | | | | |
| \$1,501 | + \$1,658 | = \$3,159 | \$1,501 + | $\frac{\$1,658}{2}$ = \$2,330 |

We propose to raise the amount of disregarded income to \$1500 on the following grounds:

1. Our proposal can provide more incentives for CSSA recipients to work, which is considered as a more effective way to encourage CSSA recipients to take up part-time jobs. In fact, the acquiring of more working experience and the enhancement of skills through the taking up of part-time jobs can better equip CSSA recipients to take up full-time jobs in future, thereby helping them to stand on their own feet;

2. The feelings of “working for nothing” will no longer be experienced if the amount of disregarded income can be raised;
3. The taking up of part-time jobs by CSSA recipients can improve their basic living standards;
4. Such a move is conducive to projecting a more positive image for single parents receiving CSSA, rectifying the public’s negative thinking about them;
5. If the Government can take the lead and encourage CSSA recipients to take up part-time jobs actively, an indirect advantage of creating an atmosphere of rejoining the workforce can be achieved; and
6. Support services and policies, such as child care services, should also be provided to tie in with the proposal of raising the maximum amount of disregarded income, if better results were to be achieved.

The above recommendation is not made from the perspective of an expert, but from the point of view of the recipients, taking into account their plights and feelings. We consider it a more feasible recommendation, capable of providing more incentives for CSSA recipients to work.

Moreover, we are strongly opposed to the following two proposals:

1. The proposal of making it a compulsory requirement for a single parent on CSSA to take up full-time jobs once the youngest child in the household has reached the age of 12; and
2. The proposal of prescribing an upper limit for the number of CSSA-eligible members in a household, as well as deducting or reducing the standard rates of CSSA payable to the fifth child and the subsequent children in a CSSA household.

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