

LegCo Panel on Welfare Services

**Issues arising from the 1998 Review of Comprehensive
Social Security Assistance (CSSA) Scheme**

Disregarded earnings (DE)

The primary objective of the provision of DE under the Comprehensive Social Security Assistance (CSSA) Scheme is to meet employment-related expenses (fares to work, eating out, etc) and to allow the CSSA recipient to keep a portion of his earnings, thereby encouraging self-help and productivity.

2. An employable able-bodied adult in regular employment is now entitled to a monthly DE of \$1,805. 'Regular employment' is currently defined as working no less than 120 hours and earning no less than \$3,200 a month. These requirements have been put in place mainly to encourage those who are capable of being self-supporting to make reasonable efforts to support themselves and their families, and to prevent people from abusing the system by taking up easy, low-paid work just to stay on CSSA indefinitely.

3. To address Members' concern about the rules governing employable able-bodied adults' entitlement to monthly DE, we have further examined the DE arrangements, and after careful consideration, concluded that in principle, we should relax the eligibility criteria for DE to encourage employable able-bodied CSSA recipients to take up any paid job available. We recognize that given the current economic situation, it might be difficult for some unemployed able-bodied CSSA recipients to find a job which meets these requirements. Part-time, occasional and low-paid jobs can provide stepping stones to full-time, permanent, and better-paid employment.

4. The Administration is considering introduction of

additional measures to help employable CSSA recipients back to work. Proposed improvements to the current DE arrangements will be part of this package and details will be announced later.

Long-term supplement and special grants to cover after-school-care programme fees and rent deposit for able-bodied CSSA recipients

5. To guard against reliance on CSSA becoming a preferred option, the Administration in the 1998 CSSA Review considered it necessary:

- ✧ to pay long-term supplement only to cases involving the old, the disabled and the sick and according to the number of such members in the family; and
- ✧ to cut down the types of special grants for able-bodied adults/children to those absolutely essential.

Able-bodied adults/children are now entitled to special grants to cover rent, water charge, schooling expenses, child-care centre fees and burial expenses only.

6. After tightening of standard rates, long-term supplement and special grants for able-bodied adults/children, which were implemented on 1 June 1999 after extensive public consultation, the estimated average monthly CSSA payments are still close to or even slightly higher than the average monthly expenditures of non-CSSA households in the lowest 25% expenditure group. CSSA recipients are expected to budget carefully to meet their various needs as other low-income families do.

Special grant to meet after-school-care programme (ASCP) fees

7. As from 1 June 1999, no special grant is payable to cover ASCP fees for able-bodied children. It should be noted that the Administration has dropped the proposal to require single parents

on CSSA to seek work when their youngest child reaches 12. In other words, single parents on CSSA are able to take care of their children at home until their youngest child reaches 15.

8. School social workers and caseworkers of Family Services Centres can offer counselling and other appropriate assistance to children having behavioural or emotional problems. Parents who are weak in supervising their children at home can also seek help from social workers and take part in family life education programmes and other educational activities to improve their parenting skills.

9. In exceptional cases, the Director of Social Welfare can consider exercising his discretion to approve a discretionary grant to meet ASCP fees. A case can be considered for such a discretionary grant if there are strong reasons arising from problems with the child himself or with the family setting to justify ASCP attendance.

Special grant to cover rent deposit for street sleepers

10. Street sleepers on CSSA who are old, disabled or medically certified to be in ill-health are eligible for special grants for rent deposits where the need arises. The tightening of special grants as from 1 June 1999 does not affect these categories of recipients.

11. We recognize that unemployed able-bodied street sleepers are a vulnerable group having special difficulty in finding a job because of lack of a contact address and employers' prejudice against job-seekers who are homeless.

12. In recognition of the special difficulty faced by the unemployed able-bodied CSSA recipients who are street sleepers, we can consider a discretionary payment in cases where the recipient is genuinely in need of additional financial assistance to meet the payment of a rent deposit. The discretionary power is delegated to officers of the Social Welfare Department (SWD) at a

senior level, namely, District Social Welfare Officers (DSWOs), to ensure that it is fairly, sensibly and consistently exercised. A recipient is considered to be genuinely in need of additional financial assistance if he does not possess enough savings or other resources to meet the payment of a rent deposit on his own.

13. A CSSA recipient can lodge a complaint with the DSWO if he does not think that his case has been properly dealt with by staff of the Social Security Field Unit (SSFU). He can also lodge an appeal with the Social Security Appeal Board if he is not satisfied with the decision made by SWD.

To require persons living together with family members to apply for CSSA on a household basis

14. The objective of the CSSA Scheme is to provide cash assistance to bring the income of needy individuals and families up to a level to meet their basic needs. In determining whether a family is eligible for assistance, we take into account the resources and the needs of the whole family. In other words, the monthly income and the needs of **all household members** are aggregated in determining the family's eligibility and the amount of assistance payable.

15. To strengthen control and safeguard public expenditure against fraud and abuse, one of the measures proposed in the 1998 CSSA Review is to reinforce the gate-keeping mechanism whereby CSSA applicants are strictly required to apply on a household basis if they are living with other family members under the same roof and enjoying the benefit of shared household facilities. Such a requirement is to encourage family support and prevent people from abusing the system by singling out individual elderly or unemployed family members who have no financial means to apply for assistance on their own.

16. Members of the same family normally do have a social relationship and social dependence on each other. The income-

earners in a family should take up the responsibility of supporting their family members who have no financial means. However, SSFUs have come across actual cases where children declared that they could not financially support their parents when in fact they did have the capacity. It would be unfair for individual families to shift the burden of supporting their non-income-earning family members to taxpayers.

17. In families where the children have genuine financial difficulty in supporting their parents, they should apply for CSSA on a household basis. Where the total monthly income of the family is assessed to be insufficient to meet its total 'recognized' needs, CSSA can be paid to make up the difference. This system is considered equitable and fair.

18. We recognize that some elderly persons may have a relationship problem with their family members. However, this should not be used as a pretext for singling out an elderly family member to apply for CSSA as a single person on his own although exceptional cases will be considered individually. Where a family with any such problem is known to SWD, appropriate services including counseling will be rendered to the elderly person and his family members.

Health and Welfare Bureau
December 1999