

**立法會**  
**Legislative Council**

LC Paper No. CB(2)1762/99-00  
(These minutes have been  
seen by the Administration)

Ref : CB2/PL/WS

**LegCo Panel on Welfare Services**

**Minutes of meeting**  
**held on Monday, 13 December 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 David CHU Yu-lin  
Hon Cyd HO Sau-lan  
Hon LEE Cheuk-yan  
Hon Eric LI Ka-cheung, JP  
Hon LEE Kai-ming, SBS, JP  
Hon Fred LI Wah-ming, JP  
Dr Hon YEUNG Sum  
Hon YEUNG Yiu-chung  
Hon LAW Chi-kwong, JP

**Members Attending** : Hon Mrs Sophie LEUNG LAU Yau-fun, JP  
Hon LEUNG Yiu-chung

**Public Officers Attending** : Item III  
  
Mr HO Wing-him  
Deputy Secretary for Health and Welfare 2  
  
Mrs Marion LAI  
Deputy Director of Social Welfare (Administration)  
  
Mr Laurie LO  
Principal Assistant Secretary for Health and Welfare (Welfare) 1

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

Mr CHENG Chok-man  
Chief Social Security Officer (Social Security)

**Deputations  
by Invitation**

: The Hong Kong Council of Social Service

Dr WONG Hung

The Concern Group on CSSA Review for Single Parent Families

Ms CHIU Chui-wah

Alliance on Termination of Special Grant for After-school Care  
Services

Mr LEUNG King-fun

The Elderly Rights Centre

Ms NG Mui

The Fundamental CSSA Evaluation Group of St. James' Settlement

Ms WONG Sau-ping

The Hong Kong Social Security Society

Mr HO Wing-chung

The Hong Kong Federation of Trade Unions

Ms CHAN Oi-kwan

The Hong Kong Social Workers Association

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Mr CHUA Hoi-wai

Victims of the Rolling Back of the CSSA Policy

Ms WU Mei-kiu

Alliance for Patients' Mutual Help Organizations

Miss Iris CHAN Sui-ching

Tuen Mun Concern Group on CSSA Single Parent Families

Ms HO Wei-ling

Kwan Fook Women's Concern Group

Ms Grace LAU Wai-chin

Concern Group on CSSA Single Parent Families with  
Owner-occupied Properties

Ms SZE Sik

Concern Group on Elderly Rights

Ms TANG Shu-yee

Mr TSANG Hoi-lun

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

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

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**I. Confirmation of minutes of meeting on 7 October 1999 and matters arising**  
(LC Paper No. CB(2)428/99-00)

The minutes of the meeting on 7 October 1999 were confirmed.

**II. Date of next meeting and items for discussion**  
(LC Paper Nos. CB(2)579/99-00(01) - (02))

2. Members agreed to discuss the following items at the next meeting to be held on 10 January 2000 at 10:45 am -

- (a) The Computerized Social Security System;
- (b) Consultancy study on the review of Day Care Centres, Multi-services Centres and Social Centres for the Elderly and development of integrated care services for the elderly; and
- (c) Request for exemption of Early Education and Training Centres and Special Child Care Centres from the Enhanced Productivity Programme.

3. At the suggestion of Mr LAW Chi-kwong and Mr LEE Cheuk-yan, the Panel agreed to discuss the following items at a future meeting -

- (a) The Portable Comprehensive Social Security Assistance Scheme;
- (b) Child care services; and
- (c) Monitoring of private elderly homes.

In addition, the Chairman suggested and members agreed to discuss the Report of the Working Group on Dementia in February 2000.

**III. Issues arising from the review of the Comprehensive Social Security Assistance (CSSA) Scheme**  
(LC Paper Nos. CB(2)579/99-00(03) -(14) and CB(2)590/99-00(01) - (02))

4. The Chairman welcomed representatives of the deputations to the meeting.

The Hong Kong Council of Social Service (HKCSS)

5. Dr WONG Hung of HKCSS pointed out that the new tightening measures introduced after the review of CSSA had seriously affected the elderly, the disabled and those in ill health. He pointed out that it was unacceptable for the Administration

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to have cut down the special grants for the purchase of glasses for school children of CSSA families, and special grants for telephone fees and rental deposit. In particular, he pointed out that the non-provision of the last item had made it impossible for recipients like street-sleepers and battered women to move to new accommodation in private housing. He also invited members to note that as most single parent families and families involving battered women had children and therefore had more family members than other categories of CSSA recipients, the new measure of reducing CSSA payments for larger households had a greater impact on these families. Dr WONG considered that the CSSA scheme was no longer able to provide a safety net for the financially vulnerable, and had thereby forced them to live in abject poverty.

6. Dr WONG Hung further urged the Administration to relax the eligibility criteria for the provision of disregarded earnings (DE) to take into account the current economic situation and the fact that permanent and better-paid employment was hard to find.

The Concern Group on CSSA Review for Single Parent Families

7. Ms CHIU Chui-wah of the Concern Group on CSSA Review for Single Parent Families pointed out that the provision of Long-term Supplement was essential to single parent families to meet the cost of the basic necessities of life. For example, it was needed for purchase of essential furniture items and electrical appliances, to cover expenses on maintenance work for their homes and miscellaneous schooling expenses for their children. She said that the existing CSSA payments were inadequate to meet these odd expenses and she urged the Administration to reinstate the annual Long-term Supplement.

The Alliance on Termination of Special Grant for After-school-care Services

8. Mr LEUNG King-fun of the Alliance on Termination of Special Grant for After-school-care Services said that he was a disabled person and was unable to take care of his young children. Although he had been certified by a medical social worker and a caseworker that he had genuine need for the special grant to meet after-school-care fees, his application for the grant was still rejected by SWD. He pointed out that contrary to what SWD had earlier said, its staff actually did not exercise any discretion to approve applications for the grant. He said that they only told applicants that the allowance was cancelled now without considering the merits of each case.

The Elderly Rights Centre

9. Ms NG Mui of the Elderly Rights Centre considered that the new arrangement of requiring persons living together with family members to apply for CSSA on a household basis had created many problems for the elderly recipients. In her case, she lived with her daughter who did not want to apply for CSSA as she considered it a shame to do so. As a result, Ms NG's CSSA had been discontinued and she could not

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re-apply for it unless she moved out. She said that this new arrangement had thrown her into a very difficult position and that it was also against the policy objective of fostering a sense of security amongst the elderly.

The Fundamental CSSA Evaluation Group of St. James' Settlement

10. Ms WONG Sau-ping of the Fundamental CSSA Evaluation Group of St. James' Settlement pointed out that although she was a CSSA recipient, she wanted to work to earn her own living. She said that she had recently been offered a part-time job. However, she could not accept it because she could not afford the necessary bus fares to go to work (estimated to be \$40 per day). She pointed out that she could have accepted the offer if the existing eligibility criteria for DE had been relaxed so that she could apply for the DE and use it to cover the necessary bus fares. She criticized that the Administration's policy was creating disincentives to work rather than the contrary.

The Hong Kong Social Security Society (HKSSS)

11. Mr HO Wing-chung of HKSSS made the following suggestions on the CSSA scheme -

- (a) CSSA payments (standard rate plus rental subsidy) should be made \$3,300 each month, i.e. about one-third of the mid point of the average income (at present it was \$10,000); and
- (b) Priority should be given to the CSSA recipients in the allocation of public rental housing.

12. Mr HO further made the following points on CSSA -

- (a) With the reduction in the CSSA payments to households comprising three or more members, the average standard rate was only \$1,290 for each of these household members and it was estimated that they could now only spend about \$27 each day on food and about \$13 each week on transport. If the recipients were not given any other employment-related subsidies, it was hard for them to have any incentive to take up a low-paid job as they would not even manage to meet the necessary travelling expenses for work;
- (b) In the 1970s, the level of CSSA payments was equivalent to about 26% of the medium income. However, it was now only 13% of the medium income. HKSSS therefore considered that there was a regression in the level of protection provided by CSSA;
- (c) HKSSS expressed doubt on the cost-effectiveness of the "Support for Self-reliance" Scheme in view of the additional manpower needed to

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operate the Scheme and the low success rate in helping CSSA recipients to find jobs; and

- (d) The reduced CSSA payments to larger CSSA households would undermine the opportunities for fostering the development of the children of these families.

The Hong Kong Federation of Trade Unions

13. Ms CHAN Oi-kwan of the Hong Kong Federation of Trade Unions urged the Administration to strengthen the provision of supportive services for the unemployed to help them regain employment. She pointed out that in early 1999 the Federation had proposed to the Government a "Supportive Scheme for Re-employment" and she expressed disappointment that there was no feedback from the Government on the proposed scheme. The Federation pointed out that such a scheme was necessary as CSSA, which was only meant to provide temporary financial assistance to people in need, was unable to meet the specific needs of the unemployed as it failed to provide tailored services for them.

The Hong Kong Social Workers Association (HKSWA)

14. Mr CHUA Hoi-wai of HKSWA suggested that a proper monitoring system should be put in place for the Social Security System since it involved so much public expenditure and handled so many cases (some 950,000 applicants involved). He said that at present the Administration only consulted the Social Welfare Advisory Committee on the operation of the System but this was done only occasionally. Mr CHUA also criticized that the operation of the Social Security Appeal Board lacked transparency and there was no channel for the public to make complaints against the operation of the Social Security Field Unit (SSFU). Moreover, due to the poor performance of the Social Security Payment System and unavailability of information on the System, it was difficult to seek systematic improvements for it. As such, LegCo Members could only deal with individual complaint cases when they arose. HKSWA made the following suggestions to improve the situation -

- (a) A standing advisory committee comprising District Board (to be re-named as District Council) members, members of the public and professionals should be set up for every SSFU to review complaint cases and to seek improvements;
- (b) A standing monitoring committee (with LegCo Members to serve on it) should be set up at the central level to monitor and advise the operation of the Social Security System;
- (c) The transparency of the operation of the System should be enhanced by improving the Social Security Payment System and releasing information

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on the operation of the Social Security Appeal Board and the cases handled by it; and

- (d) The procedures of the Social Security Appeal Board should be reviewed to make it independent of SWD in its operation.

"Victims of the Rolling Back of the CSSA Policy"

15. Ms WU Mei-kiu of "Victims of the Rolling Back of the CSSA Policy" explained that they were a group of new arrivals from the Mainland who were much in need of CSSA to meet their emergency needs. However, their applications were rejected by SWD which insisted that they could not apply for CSSA until they met the required one-year residence period in Hong Kong. She said that in her case, as her husband had died and she had no friends or relatives in Hong Kong, she could not seek support from anyone. She was also unable to work because she had to look after her children. She concluded her speech by pointing out that no discretion was ever applied in applications made by new arrivals no matter how desperate their situations were.

Alliance for Patients' Mutual Help Organizations

16. Miss Iris CHAN Sui-ching pointed out that the chronically-ill CSSA recipients had been seriously affected by the new measures introduced after the review of CSSA. For some of them, special grants including grants to cover costs of medical, rehabilitation, surgical appliance and hygienic items, grants to cover telephone charges and the special grant for people with disabilities had been cut. As a result, some of them who were suffering from illnesses like kidney disease and requiring renal dialysis were now considered as able-bodied and were required to join the Active Employment Assistance programme.

17. Miss CHAN said it was also unacceptable for the Administration to have ceased subsidizing those who were chronically-ill in using the Rehabus services. As a result, they could now only stay at home and were unable to pursue their social life. Miss CHAN also pointed out that the Administration should not have cut the special grant for telephone fees as the provision of telephone for people in ill health was very important to them to meet emergency needs and to help them maintain contact with the outside world. She urged the Administration to take into account the special needs of people in ill health and people with disabilities and reinstate the various special grants for them.

Tuen Mun Concern Group on CSSA Single Parent Families

18. Ms HO Wei-ling of Tuen Mun Concern Group on CSSA Single Parent Families criticized that the existing eligibility criteria for the provision of DE should be reviewed to take into account the current economic situation. She urged the

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Government to create an environment which provided opportunities for the unemployed to regain employment and she made the following suggestions -

- (a) The Government should endeavour to abolish age and sex discriminations;
- (b) The Government should implement a minimum wage system in Hong Kong; and
- (c) The Government should immediately review the effect of the new measures introduced for CSSA since 1 June 1999 and also the eligibility criteria for the provision of DE.

Kwan Fook Women's Concern Group

19. Ms Grace LAU Wai-chin of Kwan Fook Women's Concern Group said that the Concern Group was made up of battered women. She said that with the new measures introduced for CSSA, many battered women had difficulty to maintain basic livelihood since the special grants to meet the cost of such essential items like rent, water charge, telephone fees and so on had all been cut. She said that some battered women were new arrivals who could not even apply for CSSA. Being unable to support their children, these women had no choice in the end but went back to their husbands and continued to be beaten by them.

Concern Group on CSSA Single Parent Families with Owner-occupied Properties

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20. Ms SZE Sik of the Concern Group on CSSA Single Parent Families with Owner-occupied Properties expressed objection to the new rule of including an owner-occupied residential property for the asset test. She said that the CSSA recipients should not be forced to sell their family homes which were not for any investment purpose. Moreover, she pointed out that very often landlords were biased against renting flats to single parents. She said that the policy had put tremendous pressure on those CSSA recipients who lived in a self-occupied property as they were uncertain about their continued eligibility for CSSA. She further said that the Administration should improve its provision of information on the CSSA scheme to applicants as she found that there were often discrepancies in the information provided by different SWD staff which had caused much confusion to them.

Concern Group on Elderly Rights

21. Ms TANG Shu-yee said that like many other elderly recipients, she also suffered from the new rule of requiring persons living together with family members to apply for CSSA on a household basis. She complained that the new rule was creating many problems for their families and was actually forcing the elderly members to move

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out. Mr TSANG Hoi-lun, who was a social worker, appealed to members to appreciate the plights of the CSSA recipients as caused by the new measures introduced after the review of CSSA.

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Discussion with the Administration

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22. Dr YEUNG Sum supported that the definition of "regular employment" was too stringent taking into account the current economic situation. In particular, he considered that the criterion of "earning not less than \$ 3,200 a month" should be relaxed. He asked about the progress of the Administration in reviewing the relevant eligibility criteria for the provision of DE. In reply, Deputy Director of Social Welfare (Administration) (DDSW(A)) said that as the Administration was considering additional measures to assist CSSA recipients to regain employment, the suggested improvements to the current DE arrangement would be explored as part of this package of new measures. She said that a preliminary report on the Administration's deliberations could be provided to the Panel in the first quarter of 2000.

23. Mr LEE Cheuk-yan asked whether the Administration would review the whole CSSA scheme in the light of the many problems arising from the introduction of the new measures. In response, Deputy Secretary for Health and Welfare 2 (DSHW2) pointed out that the purpose of the CSSA scheme was to provide a safety net for those most in need of the assistance. He stressed that the scheme could not be used to solve all the social problems involving the elderly, single parents, new arrivals, battered women and so on. He pointed out that the CSSA system would be unsustainable if appropriate measures were not put in place to encourage and assist the employable CSSA recipients to re-join the workforce and earn their own living.

24. DSHW2 further invited members to note that after the reduction in CSSA payments to larger households, a CSSA family of three members could still get \$8,000 a month, which was not a small amount compared with other workers' earnings. He further pointed out that based on the feedback obtained in the public consultation exercise held during the last review of CSSA, it was evident that there were diverse views as to whether the existing levels of CSSA payments were too high or not. He considered that if another review of CSSA were conducted, the outcome might not be favourable to the CSSA recipients.

25. In response to the problems raised by the deputations, DDSW(A) made the following clarifications -

- (a) The Administration had no intention whatsoever to encourage family split by requiring persons living together with family members to apply for CSSA on a household basis. The Administration had introduced this rule because it was of the view that members of the same family had the responsibility of rendering mutual support for each other and the income earners should support their family members who had no financial means; and
- (b) In the case that the elderly member(s) of a family had problems in getting along with their family members, counselling services could be sought from SWD and where necessary, discretion could be exercised by SWD to exempt

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individual applicants from this requirement.

26. Mr LAW Chi-kwong queried why the Administration did not relax the eligibility criteria for the provision of DE immediately which would be the easiest way to encourage and facilitate the CSSA recipients to find work. He questioned why the system had to be made so cumbersome that every application could only be approved at the discretion of the Director of Social Welfare (or other designated senior Social Work Officers). As a large number of such cases were involved, Mr LAW expressed doubt about the practicability of such a discretionary system. He also believed that the frontline staff would not be willing to seek approvals for granting such discretion for fear of troubling or creating problems for their bosses. Referring to paragraph 12 of the Administration's paper, Mr LAW considered that the information given therein was misleading and pointed out that an applicant could only lodge an appeal with the Social Security Appeal Board regarding the outcome of his application for CSSA. However, there was no channel for applicants to lodge a complaint against the operation of SSFU or the SSFU staff.

27. Mr LAW Chi-kwong further pointed out that the new measure of requiring persons living together with family members to apply for CSSA on a household basis had in effect created tremendous pressure on the income earners of these families. In order to apply on a household basis, the income earners had to seek written confirmations from their employers regarding their income and this would have a labelling effect on the applicants which would deter them from applying for CSSA. He considered that the Administration should address the practical problems created by the new requirement.

28. In response, DDSW(A) explained that as the Administration had to strike a balance between safeguarding public expenditure against fraud and abuse and ensuring that flexibility was allowed by the system, it was necessary to delegate discretionary power to designated officers in approving the applications. Moreover, to ensure that the SSFU staff had a clear understanding of the implementation guidelines of the new measures, SWD had arranged a series of briefing sessions for them.

29. However, Mr LAW Chi-kwong pointed out that discretionary power should be delegated to officers to consider the merits of an application only if it was a very exceptional case or that it was impossible to devise eligibility criteria for the applications. However, he considered the cases under discussion were not at all of such nature. For example, he considered that it was easy to decide whether an application for special grants for rental deposits was valid or not simply by examining the amount of savings of the applicant. In response, DDSW(A) explained that there were very detailed internal guidelines issued to the staff concerned on exercising the discretionary power delegated to them under the system. She also clarified that there were criteria given to the SSFU staff but they were in no way exhaustive as a wide range of circumstances was involved in the applications.

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30. DDSW(A) pointed out that it was necessary for applicants to provide proofs of their income as the purpose of the CSSA scheme was to provide assistance to those who had genuine need. However, she assured members that the Administration would from time to time review and streamline the procedures to avoid causing any unnecessary delay to the process of handling the applications. DSHW2 added that the policy of assessing the eligibility of a household in applying for CSSA based on the aggregated income of all members of the household was justifiable. He explained that such a requirement was to prevent people who were well off enough from abusing the system. However, Dr YEUNG Sum pointed out that the Administration should also look at those cases in which the children of an elderly recipient were really unable to support the elderly but were unwilling to apply for CSSA for themselves. In such a case, the elderly members would have to move out if he/she still wanted to apply for CSSA to avoid being a financial burden to his/her children.

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31. Mr Fred LI Wah-ming warned the Administration that if many elderly persons were really forced to move out as a result of the new rule, the Administration would have to increase expenditures on rental subsidies for them. Mr LI requested the Administration to provide information on the number of cases involving cessation of CSSA payments to elderly recipients who failed to meet the new rule and the amount of payments involved. DDSW(A) agreed.

32. Mr Fred LI Wah-ming queried why applications for special grants for purchasing glasses for children and special grants for people with disabilities had to be considered at the discretion of designated officers. DSHW2 replied that it was necessary to tighten the scrutiny of the applications to safeguard public expenditures against abuse and pointed out that the estimated expenditure on CSSA for this year was still very large at about \$14 billion. He said that despite the over-projection of the Social Security Assistance Index of Prices for the past two years and deflation this year, the Administration had not implemented a downward adjustment of the CSSA rate for the current year. He felt that substantial improvements had been made to the levels of CSSA payments over the years and the recipients should manage to plan carefully their spending. Like other low-income families, they should economize on their expenditures and make savings to buy personal items such as new glasses. He also pointed out the even after the tightening of standard rates, households with three members or four members were still receiving CSSA payments in the range of \$8,000 to \$10,000 or above each month.

33. The Chairman considered that as there were still many points of disagreement in the views between members and the Administration over the issues discussed, she suggested to further discuss the subject at a future meeting. At the suggestion of Mr LEE Cheuk-yan, members agreed to set up a Subcommittee to go over the issues arising from the review of CSSA with the Administration. The Chairman requested the Clerk to make arrangements for the meeting of the Subcommittee.

*(Post-meeting note : the first meeting of the Subcommittee on the issues arising*

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from the review of CSSA was held on 30 December 1999 at 10:45 am.)

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34. The meeting ended at 12:55 pm.

Legislative Council Secretariat

20 April 2000