# 立法會 Legislative Council

LC Paper No. CB(2)2021/00-01

(These minutes have been seen by the Administration)

Ref: CB2/PL/WS

### LegCo Panel on Welfare Services

## Minutes of meeting held on Monday, 11 June 2001 at 10:45 am in Conference Room A of the Legislative Council Building

Members	: Hon LAW Chi-kwong, JP (Chairman)
Present	Hon CHAN Yuen-han (Deputy Chairman)
	Hon LEE Cheuk-yan
	Hon CHEUNG Man-kwong
	Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP
	Dr Hon YEUNG Sum
	Hon CHOY So-yuk
	Hon LI Fung-ying, JP
	Hon Henry WU King-cheong, BBS
	Hon Michael MAK Kwok-fung
	Hon WONG Sing-chi
Members Absent	: Hon David CHU Yu-lin Hon Cyd HO Sau-lan Hon Fred LI Wah-ming, JP Hon Frederick FUNG Kin-kee
Public Officers Attending	: <u>Item IV</u>
	Mr HO Wing-him, JP Deputy Secretary for Health and Welfare 2
	Mrs Brenda FUNG Principal Assistant Secretary for Health and Welfare (Welfare) 1

Miss Angela LUK Principal Assistant Secretary for Health and Welfare (Medical) 1

Mrs Kathy NG Assistant Director of Social Welfare (Elderly)

Dr HO Kin-sang Assistant Director of Health (Elderly Health Services) (Acting)

Dr Daisy DAI Senior Executive Manager (Medical Services Development) Hospital Authority

Dr Jaime SIN Senior Medical & Health Officer (Elderly Health Services) Department of Health

Item V

Mrs Carrie LAM, JP Director of Social Welfare

Mr Robin GILL, JP Deputy Secretary for Health and Welfare 3

Mr Stephen PANG Commissioner for Rehabilitation

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

<u>Item VI</u>

Mrs Carrie LAM, JP Director of Social Welfare

Mrs Brenda FUNG Principal Assistant Secretary for Health and Welfare (Welfare) 1

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

Clerk in Attendance	:	Ms Doris CHAN Chief Assistant Secretary (2) 4
Staff in Attendance	:	Miss Mary SO Senior Assistant Secretary (2) 8

I. Confirmation of minutes of meeting held on 14 May 2001 (LC Paper No. CB(2)1739/00-01)

The minutes were confirmed.

### **II. Date of next meeting and items for discussion** (LC Paper Nos. CB(2)1740/00-01(01) and (02))

2. <u>Members</u> agreed to discuss the following items at the next meeting to be held on 9 July 2001 -

- (a) Review of the Old Age Allowance;
- (a) Consultancy Report on Family Welfare Services; and
- (b) Provision of Medical Social Services.

3. <u>Deputy Secretary for Health and Welfare</u> (DSHW) informed members that the Administration might not be in a position to discuss the issue of review of the Old Age Allowance in July 2001. In response, <u>the Chairman</u> hoped that the Administration could do so in July 2001, as this was the last meeting of the Panel for the current legislative session.

4. <u>The Chairman</u> said that Mr CHEUNG Man-kwong and Miss CHAN Yuen-han proposed to discuss the issues of the shortfall of hostel places for mentally handicapped persons and education and care services in the children's homes run by the Social Welfare Department (SWD) respectively. <u>The Chairman</u> suggested to discuss one of the above issues if the Administration was not in a position to discuss the issue of review of the Old Age Allowance in July 2001. <u>The Chairman</u> said that even if the issue of education and care services in the children's homes run by SWD was not to be discussed in July 2001, the Administration should provide a written response to the Hong Kong Human Rights Monitor's report on the matter. Members agreed.

5. <u>The Chairman</u> informed members that the Panel on Health Services would discuss the issue of mental health service at its meeting to be held at 8:30 am on 9 July 2001, and members of this Panel were invited to join the discussion of the issue.

# III. Draft report of the Panel for submission to the Legislative Council on 27 June 2001

(LC Paper No. CB(2)1740/00-01(03))

6. <u>Members</u> endorsed the above draft report for submission to the Legislative Council on 27 June 2001.

#### IV. Healthy Ageing

(LC Paper No. CB(2)1740/00-01(04))

7. At the invitation of the Chairman, <u>DSHW</u> gave a power point presentation on the work undertaken by the Elderly Commission and the Administration on the promotion of Healthy Ageing in Hong Kong, which was detailed in the Administration's paper.

8. The Chairman said that apart from promoting Healthy Ageing in Hong Kong, the Administration should not neglect the need to provide adequate ophthalmic and dental services for elders, having regard to the fact that eye diseases and oral health problems were the most common ailments suffered by elders. In order to enable elders to have an active and happy life, the Chairman urged the Administration to strengthen ophthalmic and dental services for elders. DSHW agreed to convey Chairman's request for consideration by the health division of the Health and Welfare Bureau. Although the promotion of Healthy Ageing in Hong Kong was not targetted at addressing health and dental problems of elders, it was hoped that enhanced awareness of the need to lead a healthy lifestyle from an early age would help people to stay healthy later in their lives. In response, the Chairman said that although adopting a healthy lifestyle early in life would help people to stay healthy in their late adulthood, such an approach was of little or no use to the existing elders who were now suffering from various kinds of diseases because of their failure to take good care of their health in the past. DSHW said that it was never too late to adopt a healthy lifestyle. For example, many overseas studies had showed that the health condition of a lifelong smoker could still improve even if he/she gave up smoking very late in life.

9. <u>Mr Henry WU</u> said that the thing that mattered most to elders was happiness. In order to achieve such, their needs must first be met. In this connection, <u>Mr WU</u> enquired whether any surveys had been conducted to find out the needs of elders of different age groups, and the actions which would be adopted by the Administration to better meet their needs.

10. <u>DSHW</u> responded that numerous surveys had been conducted by the Administration in the past few years to find out the needs of elders. According to the survey findings, factors which mattered most to older persons, regardless of their age and social background, were their relationship with their family members, their physical and psychological well-being, their social network and how the community viewed older persons. These factors were more important than how much money they had. The findings also showed that the educational attainment of older persons made a difference in their expectations on their family members and the community. Notably, older persons of higher educational attainment would strive to continue to play an active role at home and in the community, whereas those of lower educational attainment would rely more on their family members and the community to take care of them. It was based on these survey findings that the Government's elderly policy was formulated.

11. <u>Mr WU</u> further enquired about the measures taken by the Administration to prevent older persons from getting osteoporosis. <u>Assistant Director of Health (Elderly Health Services) (Acting)</u> responded that osteoporosis was not confined to older persons. In a woman, the process of the bones becoming more hollow would hasten soon after menopause. The most effective ways to prevent osteoporosis were to educate people to eat a balanced diet rich in calcium and embark on a regular exercise programme at an early age. As missing a step of a staircase or pavement could result in fractures of the bones in patients with severe osteoporosis, the best ways to prevent such a situation from happening to older persons afflicted with the disease was to educate them to ensure that the environments of their homes were safe and to encourage them to exercise regularly.

# V. New Expenditure Initiatives to provide Improved Care for the Disabled (LC Paper No. CB(2)1740/00-01(05))

12. <u>Director of Social Welfare</u> (DSW) briefed members on the Administration's paper which detailed the implementation plan for the new initiatives to assist people with disabilities, as announced by the Financial Secretary in his 2001 Budget Speech. <u>DSW</u> further said that the Administration intended to seek the Finance Committee's approval for the necessary funds on 22 June 2001.

13. Although funding had been set aside to provide an extra 2 747 day and residential places for people with disabilities, <u>Dr YEUNG Sum</u> pointed out that such an increase still fell far short of demand. Moreover, it would take up to 2005-06 to have all these extra places provided, having regard to the fact that the Administration

had so far only identified Government/Institution/Community sites and public housing premises for about 700 places, with the sites to accommodate the remaining 400 places still outstanding. In this connection, <u>Dr YEUNG</u> requested the Administration to provide information on the shortfall of day and residential places for people with disabilities. <u>Dr YEUNG</u> expressed support for the two schemes to help people with disabilities to become self-reliance. They were, namely, a three-year on-the-job training programme for people with disabilities and a programme to provide seed money for non-government organisations (NGOs) to set up small businesses employing people with disabilities. <u>Dr YEUNG</u> hoped that these two schemes could be made permanent and be further developed to benefit more people, if review of the schemes showed that people with disabilities did benefit from these initiatives.

14. <u>DSW</u> responded that shortage of residential places for severely and moderately mentally handicapped persons was a long-standing problem which could not be easily resolved. As at April 2001, a total of 1 670 and 1 315 applicants were waiting to be admitted to the hostels for severely and moderately mentally handicapped persons respectively. The aforesaid figures were the minimum numbers, as the number of people waiting for residential places would increase over time. The problem was further aggravated by the very low discharge rate of these hostels which stood at only 1.2% for the past three years. Although over 1 000 extra residential places for severely and moderately mentally handicapped persons would be provided in the coming years, people still needed to wait for their turn to be admitted, although a shorter waiting period was required. Despite the shortfall of places, the number of residential places for severely and moderately mentally handicapped persons could not be greatly increased, as a right balance needed to be struck on the allocation of public funds given that there were other equally deserving public programmes. To address the situation where parents were too old and frail to take care of their severely mentally handicapped children and a long waiting time was needed for admitting their children to a hostel, <u>DSW</u> said that these children could exceptionally be allowed to jump the queue for admission.

15. To fill the gap for residential service, <u>DSW</u> said that an additional \$30 million a year had been earmarked for SWD to improve community support services for people with disabilities and their carers. In respect of providing better care for mentally handicapped persons living with their families/carers, a pilot project on setting up of community care and support network in selected districts with great demand for residential service was proposed. Service scope of the network included outreaching to the vulnerable mentally handicapped persons in the district; supporting carers when meeting crises and emergency through provision of home care, respite care, hotline services and emergency placement, etc; and providing social inclusion activities such as development of volunteers and support persons.

16. On finding suitable sites/premises for the 400 remaining day and residential places, <u>DSW</u> said that discussion was being made with the Housing Department (HD)

and the Lands Department in this regard. In addition, SWD had called upon parent groups and other concern groups to help in the search for suitable sites/premises. She was confident that premises for the 400 remaining day and residential places could be identified within the next few months. <u>DSW</u> also invited members to notify SWD if they identified any sites/premises which might be suitable for running day and residential service for people with disabilities. <u>Dr YEUNG Sum</u> said that SWD should also discuss with HD on the possibility of setting aside more spaces in the new housing estates for day and residential places for people with disabilities when HD was planning the construction of new housing estates.

17. <u>DSW</u> further said that SWD would actively consider engaging an external body to evaluate the effectiveness of the on-the-job training programme for people with disabilities and the project to assist NGOs to create and run small businesses employing people with disabilities, before deciding whether these schemes should continue and be further developed. On the scheme to provide NGOs with seed money for setting up small businesses employing people with disabilities, <u>DSW</u> said that this was not unprecedented in Hong Kong. In recent years, some NGOs had pioneered simulated businesses to create training and work opportunities for people with disabilities. This endeavour adopted the model of social firms developed in overseas countries such as the United Kingdom, Italy, Spain, Sweden etc. Social firms took the form of business activities in pursuit of a social mission to improve the employment of people with disabilities. The advantage of such operation was that people with disabilities could enjoy genuine employment in a carefully planned and sympathetic working environment. It resolved the problem of continuous transition of people with disabilities in different training and job settings and had difficulty in sustaining a job in the open market. Such initiatives of NGOs in Hong Kong included cleansing contracts, running of cafes and kiosks and fruit stalls. At present, NGOs were running these businesses as part of the Supported Employment programme and in the majority of cases, workers in these businesses were regarded as trainees or service users, rather than employees per se. To provide another employment outlet for people with disability and also give these people the genuine status of an employee, the Administration had therefore decided to create a new commitment of \$50 million to make grants to assist NGOs to create and run small businesses with employment of people with disabilities.

18. <u>Ms LI Fung-ying</u> referred to paragraph 10 of the Administration's paper and enquired whether the Government, as the biggest employer in Hong Kong, had participated in programmes aiming at creating and offering employment to people with disabilities.

19. <u>DSW</u> responded that government departments were very willing to hire people with disabilities. Apart from this, government departments would endeavour to award tenders for procurement of services to NGOs employing people with disabilities on the premises that the principle of open and fair competition would not be violated. A case

in point was that the Leisure and Cultural Services Department had previously awarded the operation of some kiosks and food stalls to NGOs employing people with disabilities. With the implementation of the project to provide seed money for NGOs to create and run small businesses employing people with disabilities, SWD would actively liaise with other policy bureaux/government departments to encourage them to award their tenders to the NGOs concerned so long as they would not deviate too much from the principle of open and fair competition. DSW further said that the Government would be willing to provide job placements for participants of the on-thejob programme for people with disabilities if the NGOs commissioned to operate the programme could not find a job attachment in an NGO or private company for the programme participants. <u>DSW</u> hoped that through the above two programmes, the employability of people with disabilities would improve and that the awareness and willingness of private sector employers to employ people with disabilities would increase. In the event that many private sector employers wished to employ people with disabilities under the on-the-job programme, consideration would be given to according priority to those private companies with little or no experience in hiring people with disabilities. Ms LI criticised the Government for shirking the responsibility of employing people with disabilities and put the bulk of the burden on the private sector. To this end, Ms LI urged the Government to take more initiative in hiring people with disabilities, which, in turn, would set a good example for the private sector to follow.

20. <u>Miss CHAN Yuen-han</u> echoed Ms LI's view that the Government should take the lead in hiring more people with disabilities, rather than relying on NGOs and the private sectors to do so. Noting that the maximum amount of a grant to an NGO to create and run a small business employing people with disabilities was \$2 million, <u>Miss CHAN</u> expressed concern that \$50 million could only benefit a small number of people. <u>Miss CHAN</u> then sought more information on how government tenders could be awarded to NGOs employing people with disabilities.

21. <u>DSW</u> responded that to enable people with disabilities to become self-reliant, government departments had been reminded to hire people with disabilities on either civil or non-civil service terms if they were considered eligible. Apart from this, government departments had been encouraged to buy products made by workers from the sheltered workshops as souvenirs for their activities. For those government departments which had their own buildings with a spacious lobby, they had also been encouraged to allow workers from the sheltered workshops to sell their products thereat during the festive periods, such as New Year and Christmas. Response from government departments on the aforesaid had been very positive.

22. As regards the project to enhance the employment of people with disabilities through small enterprise, <u>DSW</u> said that the project should benefit quite a sizeable number of people with disabilities. The reasons being that in vetting the applications for the grant, the Assessment Panel would consider whether the proposed business was

viable, whether the applicant had management capability including experience, qualification and past performance in business, and the extent of benefit to people with disabilities. Moreover, the supported business was expected to be able to run on a self-financing basis, as the grant would only assist the successful agency to cover the cost of equipment, fitting out works etc, and the initial working capital for the procurement of stocks and payment of initial operating expenses (normally not exceeding 12 months) for the preparatory business or marketing team. <u>DSW</u> pointed out that small businesses employing people with disabilities should not require a lot of seed money to kick start, as evidenced by the fact that two projects of similar nature sponsored by the Lotteries Fund only required a small amount of money to kick start. <u>DSW</u> further said that if this project should prove to be very cost-effective one to two years after implementation, there would be a strong case to redeploy funds for setting up additional sheltered workshops to support more NGOs to set up small businesses employing people with disabilities as this was more cost-effective and more beneficial to the clients.

23. <u>DSW</u> said that the Government needed to be very careful in awarding contracts to NGOs employing people with disabilities, as there could be complaints from the business sector, particularly from the small and medium-sized companies, that their business opportunities had been deprived because the Government was restricting Government tender to a particular group of people. To avoid violating the principle of fair and open competition, only small-scale contracts on a localised basis, such as washing police vehicles at the police stations, would be awarded to NGOs employing people with disabilities, provided that the NGOs concerned could meet the tender requirements. The Government, however, would not consider using restricted tenders, as a matter of policy, to create more job opportunities for people with disabilities.

24. <u>Miss CHAN Yuen-han</u> was of the view that the Administration should consider adopting the model of co-operative firms to create employment for not only people with disabilities, but also people of low educational attainment with little or no job skills. <u>Miss CHAN</u> pointed out that there were complaints that some private sector employers exploited those employees who were of the socially-disadvantaged groups.

25. <u>DSW</u> responded that although setting up co-operative firms was a desirable way to create employment for people with disabilities as well as people of low educational attainment with little or no job skills, there was a need to balance the interests of all parties concerned before the matter could be taken forward. On the question of assisting people of low educational attainment with little or no job skills to regain employment, <u>DSW</u> said that two initiatives under the Support for Self-reliance (SFS) Scheme, namely, the Special Job Attachment Programme (SJAP) and projects under the Intensive Employment Assistance Fund (IEAF), had shown to be particularly useful for the long-term unemployed or "hard core" cases who experienced particular difficulty in returning to employment. To date, \$24 million had been provided to NGOs to run tailor-made projects to provide more intensive

assistance for these groups of people who were Comprehensive Social Security Assistance (CSSA) recipients. <u>DSW</u> also pointed out that the on-the-job training programme for people with disabilities and the project to assist NGOs to create and run small businesses employing people with disabilities were modelled on the aforesaid two initiatives under the SFS Scheme.

26. <u>Mr WONG Sing-chi</u> sought more information on the support which SWD would render to the successful agencies in running small businesses employing people with disabilities. In order to protect people with disabilities from being exploited by their private sector employers, <u>Mr WONG</u> enquired about the measures which would be taken by SWD to avoid such from happening.

27. <u>DSW</u> responded that SWD would not be in a position to offer advice to the successful agencies on how their businesses employing people with disabilities should be run. Proposals from agencies would be considered, however, with the benefit of a committee with business background members to ascertain the viability. Moreover, the governing bodies of these agencies invariably comprised persons from the business sector. In fact, the idea of launching the on-the-job training programme for people with disabilities and the project to assist NGOs to create and run small businesses employing people with disabilities were originated from the governing bodies of NGOs. SWD staff would, however, inspect the business at any time, and follow through with these businesses for a period of at least three years with agencies submitting progress reports, business plans, financial reports and audited accounts as necessary. The businesses would be evaluated through indicators like the number of people with disabilities employed and the income of people with disabilities engaged in the businesses, etc. The Marketing Consultancy Office of SWD working under an Advisory Committee including persons with business experience and persons with disabilities, would be responsible for administering the programme of providing seed money to NGOs to set up small businesses employing people with disabilities.

28. Regarding Mr WONG's further enquiry as to whether the NGOs concerned could have free use of the profits made from the small businesses employing people with disabilities, <u>DSW</u> replied in the negative. Several options for using the profits, such as ploughed back the profits into the business or used it on rehabilitation services or other welfare services run by the NGO concerned would be considered.

29. <u>Mr CHEUNG Man-kwong</u> enquired whether consideration would be given to setting a limit on the waiting time for admission to the hostels for severely and moderately handicapped persons. <u>DSW</u> responded that doing so would not help to solve the long waiting time problem, nor would it be very meaningful in meeting the needs of the applicants and their families/carers. This was because providing residential places for severely and moderately handicapped persons to the extent whereby there would be very short or no waiting time for admission to the hostels concerned was not possible due to resource constraint. <u>DSW</u> pointed out that the

resource constraint on increasing the number of residential places for severely and moderately handicapped persons did not lie so much in the lack of suitable sites/premises, but on the high recurrent expenditure. As to why setting a waiting time limit would not be very meaningful in meeting the needs of the applicants and their families/carers, <u>DSW</u> explained that this was because the needs of them were varied. For example, there had been cases where the parents of the applicants had turned down the opportunity to admit their children to the hostels because they wished to keep their children at home until they could no longer take care of them. <u>DSW</u> further said that a long queue for residential places for severely and moderately handicapped persons did not necessarily mean that everyone on the waiting list needed to be admitted to the hostels immediately, as family members of the applicants, aware of the long time required to secure a place, would tend to submit their applications for residential places as early as possible.

30. Based on the reasons given in paragraph 29 above, <u>DSW</u> said that the Administration considered it more pragmatic to accord priority to increasing day service places for mentally handicapped persons and strengthen community-based support for the mentally handicapped persons and their families/carers. It was hoped that with the implementation of the various initiatives proposed in the Administration's paper, more people with disabilities could be successfully integrated into the community and reduce the demand for residential service. <u>DSW</u> further said that SWD was in the process of inviting several survey companies to find out the needs of the parties concerned for residential service. She would be happy to brief members on the survey results when they were ready before the end of this year.

31. DSW said that she could not agree with the views made by Mr CHEUNG Mankwong in his letter to the Panel (see Appendix) that the shortage of residential places for the severely and moderately handicapped persons had resulted in quite a number of them remaining in the special schools after they had reached the age of 15 when they were supposed to leave the schools and free their places for other mentally handicapped children. To her understanding, the reason why the special schools would allow these children to stay on after they reached the age of 15 was because there were vacancies in the schools and to meet parents' demand. DSW, however, said that she would be happy to discuss with members of this Panel and the Panel on Education on welfare support for mentally handicapped children and their parents after the former left the special schools. Mr CHEUNG Man-kwong expressed support for holding a joint meeting with the Panel on Education to discuss the following three issues, namely, years of education of the special schools for mentally handicapped children, centres to accommodate the mentally handicapped children after they left the special schools, and welfare support for the mentally handicapped children and their parents/carers.

32. In concluding the discussion, <u>the Chairman</u> said that members were supportive of the various initiatives contained in the Administration's paper. <u>The Chairman</u>

further said that he would liaise with the chairman of the Panel on Education on holding a joint meeting with this Panel to discuss the three issues raised by Mr CHEUNG Man-kwong in paragraph 31 above. The Panel would continue discussion on the residential service for severely and moderately handicapped persons when the survey results on the needs of the parties concerned for such service became available.

# **VI.** Final Evaluation Report on the Support for Self-reliance Scheme (LC Paper No. CB(2)1740/00-01(06))

33. <u>DSW</u> took members through the findings of the final evaluation report of the Support for Self-reliance (SFS) Scheme detailed in the Administration's paper. <u>DSW</u> further said that although there had been consecutive month-to-month decrease in the number of unemployed CSSA cases from June 1999 to early 2001, the unemployed caseload had risen since April 2001, namely, 0.8% and 1.3% in April and May 2001 respectively. As at the end of May 2001, the number of unemployed CSSA cases were 23 738. Although the increase had been slight, SWD would step up its efforts in helping the unemployed CSSA recipients to regain employment and move towards self-reliance, as people who were still unemployed by now were likely to be people who had much difficulty in securing employment.

34. <u>Members</u> noted a submission (Chinese version only) from the Hong Kong Council of Social Service (HKCSS) on the SFS Scheme (LC Paper No.CB(2)1804/00-01(01)) <u>tabled</u> at the meeting.

35. <u>Mr LEE Cheuk-yan</u> said that the SFS Scheme had the effect of deterring the unemployed from applying for CSSA, rather than helping them to regain employment, as evidenced by the followings -

- (a) Among the 36 653 enquiries made about the Active Employment Assistance (AEA) programme up to November 2000, 20 347 finally decided not to apply for CSSA, representing a drop-out rate of 55.5%. Such a situation was vastly different from before the implementation of the SFS Scheme when practically all who had inquired would subsequently submit their applications;
- (b) Of the 29 714 enrolments in the SFS Scheme from June 1999 to November 2000, 12 334 of them were subsequently de-registered from the Scheme. Among the reasons, "withdrawal from applying for CSSA" and "loss of contact" accounted for 48% of de-registrations, whereas "having secured gainful employment" only accounted for 26% of deregistrations or representing 10.6% of the cumulative enrolments; and
- (c) Although the proportion of AEA participants finding employment per month was five times higher than the proportion of CSSA recipients finding employment before introduction of the SFS Scheme, the monthly average success rate of helping people to find work during June 1999 to November 2000 was merely 1.8% per month.

36. <u>Mr LEE</u> further said that the longitudinal study commissioned by SWD to gauge respondents' changes in views, attitude and behaviour over time during their

period of exposure to the SFS Scheme also revealed that some unemployed participants had become more inclined to come to the view that receiving CSSA was a shame. In this connection, <u>Mr LEE</u> urged the Administration not to give an impression to the public that people on CSSA were lazy people taking advantage of the social security system.

37. <u>DSW</u> disagreed that the SFS Scheme had the effect of deterring people from applying for CSSA. According to a telephone interview conducted from September to October 2000 to ascertain the employment situation of job searchers who had successfully secured paid employment in the first year since the implementation of SFS Scheme, half of the 23% re-joined CSSA on their being unemployed again. This indicated that people who had previously participated in the SFS Scheme would still apply for CSSA again if they truly needed it. <u>DSW</u> further said that as respondents in the longitudinal study were unemployed CSSA recipients, it was not surprising that some of them should feel receiving CSSA was a shame if they considered it important that everyone should be self-reliant. To remind successful job searchers that the CSSA Scheme did not preclude anyone simply because of his/her previous reliance on CSSA, a pamphlet on this and other related matters would be published shortly by SWD.

38. <u>DSW</u> said that SWD would conduct an exploratory study to find out as far as possible the underlying reasons why some potential applicants did not pursue their applications for CSSA after making initial enquires at the Social Security Field Units, and why some existing recipients withdrew from CSSA. Regarding the comments that the SFS Scheme had not been effective in assisting participants to find work, <u>DSW</u> said that taking into account that these people were older, poorly-educated and unskilled, the average monthly success rate of AEA participants during June 1999 to November 2000 of only 1.8% was not bad. With the implementation of the SJAP and projects under IEAF in January 2001, it was envisaged that the success rate of unemployed CSSA recipients finding work would improve.

39. <u>Dr YEUNG Sum</u> said that government officials should refrain from making remarks that the CSSA Scheme supported lazy people, as this would cause the public to perceive people who were genuinely in need of CSSA as lazy people. <u>Dr YEUNG</u> then enquired whether the Administration would consider the possibility of allowing AEA participants to choose the types of community work they liked to perform and to increase the number of times which a CSSA recipient could have his/her first month's income disregarded from a newly secured job from once to three times within two years as proposed by HKCSS in its submission.

40. <u>DSW</u> supported the idea that AEA participants should have their choice of types of community work in principle. This, however, could not be put into practice in all instances, as high administrative costs would be entailed. <u>DSW</u> said that the Administration had no intention to further relax the provision of disregarded earnings

at this stage, having regard to the fact that the CSSA standard payment rates at their current levels were comparable to and sometimes even better than the incomes from low-paid jobs. For example, the monthly CSSA payment of \$10,083 which a household comprising four members received far exceeded the average monthly household income of the lowest 20<sup>th</sup> percentile of the population. Moreover, the Administration did not wish to provide an incentive for people to change jobs in order to have their first month's income disregarded. <u>DSW</u>, however, said that the Administration was currently actively considering the possibility of relaxing the level of disregarded earning for single-parent CSSA recipients in order to encourage them to find work (at present, single-parent CSSA recipients were not required to join the SFS Scheme if they had a child under the age of 15) and to enable them to have more money to spend on the basic needs of their children.

41. <u>Miss CHAN Yuen-han</u> expressed concern that the stigmatisation of people on CSSA as lazy people taking advantage of the social security system had resulted in some people ashamed of applying for the CSSA Scheme even though they truly needed it. As a result, many family tragedies had occurred. <u>Miss CHAN</u> then enquired whether the Administration would consider adopting the model of co-operative firms to carry out its contracting-out jobs, so as to create employment for unemployed CSSA recipients.

42. DSW responded that in order to correct the perception that people on CSSA were lazy people taking advantage of the social security system and to educate the public that it was Government's responsibility to provide a safety net for people with financial difficulties, some work had been done and efforts would be stepped up in this regard. For example, as a pilot, people who had become gainfully employed and left the CSSA net had been invited to join a mutual-help group set up in the Kwun Tong District to share their experience with the AEA participants. SWD also intended to publicise the success stories of former AEA participants on television and newspapers. As to Miss CHAN's question in paragraph 41 above, <u>DSW</u> said that she was not in a position to give an answer to it. However, she had briefed the Task Force on Employment on SWD's experience in helping unemployed CSSA recipients in overcoming barriers to work and moving towards self-reliance. In particular, she had pointed out to the Task Force that people who were older, unskilled, and poorlyeducated could re-join the labour market and left the CSSA net if more assistance was provided to them.

43. There being no other business, the meeting ended at 12:58 pm.

Legislative Council Secretariat 5 July 2001