

**Second Report to be prepared by the Hong Kong
Special Administrative Region under the
International Covenant on Economic, Social and Cultural Rights**

**Supplementary Paper from the
Equal Opportunities Commission**

Purpose of the Covenant

The discussions to date on the draft outline of the second report of the Hong Kong Special Administrative Region under the International Covenant on Economic, Social and Cultural Rights (*the Covenant*) has rightly focused on the implementation of the rights under the Covenant. These discussions are an important part of the process of ensuring that the purpose of the Covenant is being met on a progressive basis.¹ It may be useful, at this juncture, to revisit the purpose of the Covenant so as to keep this purpose in focus.

2. The rights under the Covenant encapsulate those concerned with the material, social and cultural welfare of persons, such as the provision of employment, housing, clothing, food, education and social security. These rights form part of the essential prerequisites for the development of each individual. These are development rights and poverty reduction measures. To this end, the purpose of the Covenant is to provide a framework to advance human potential and the equitable treatment of the individual; to ensure that one sphere of interest will not override the interest of another; and to help achieve community equity and social equilibrium.

Equity and Public Expenditure

3. In the current economic downturn, the Government faces competing demands as well as intense scrutiny of its expenditure practice. In the 2002/03 budget, the Government laid down a target of containing public expenditure at or below 20 per cent of Gross Domestic Product by the year 2006/07. In setting this target, the Government did not outline the key distributional objectives of public spending and how these objectives would best be met within budget constraints, or how it would assess the welfare impact of public spending in the period leading to 2006/07. The Government also did not indicate whether and how it

¹ Article 2, paragraph 1, of the Covenant provides that "Each State Party to the present Covenant undertakes to take steps, individually and through international assistance and co-operation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means, including particularly the adoption of legislative measures".

had taken into account issues such as the relationship between poverty and social exclusion, or address concerns about equity and social justice. The absence of information raises concerns for the vulnerable segments of society, who are more likely to be in need of public services and assistance. Any reduction in the volume of public and social programmes will disproportionately affect these groups, leading to a deepening of income gap and deterioration of living standards. The Equal Opportunities Commission (*EOC*) would welcome the Government establishing more lucid public expenditure priorities, supported by clear social policies, as a central determinant of progress towards sustainable development. The EOC would also welcome the Government providing disaggregated data, such as on gender and disability, on each of its social programmes.

4. According to the World Bank, much of the role of government can be viewed as establishing infrastructure in its broadest sense – educational, technological, financial, physical, environmental, and social. Furthermore, there can be a positive relationship between equity and growth. Oxfam International found that rapid progress towards poverty reduction and human development was possible through policies that combined growth with equity.² It noted the success in East Asia (referring principally to China, Indonesia, Vietnam, Malaysia, Thailand, and South Korea) where the region had experienced the most rapid and sustained growth recorded this century over the past three decades and a greater number of people had moved out of poverty more quickly than at any time in history.

Equal Opportunities Commission
February 2003

² Oxfam International Report (1997), *"Growth with Equity: An Agenda for Poverty Reduction"*, available at: <http://www.oxfam.org.uk/policy/papers/equity/>.