立法會 Legislative Council

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(These minutes have been seen by

the Administration)

Subcommittee to Study the Subject of Combating Poverty

Minutes of meeting held on Tuesday, 18 July 2006 at 4:30 pm in the Chamber of the Legislative Council Building

Members : Hon Frederick FUNG Kin-kee, SBS, JP (Chairman)

Present Hon James TIEN Pei-chun, GBS, JP (Deputy Chairman)

Hon Albert HO Chun-yan Hon LEE Cheuk-yan Hon Margaret NG

Hon CHAN Yuen-han, JP Hon Emily LAU Wai-hing, JP Hon TAM Yiu-chung, GBS, JP Hon LI Fung-ying, BBS, JP Hon Alan LEONG Kah-kit, SC Hon LEUNG Kwok-hung

Dr Hon Fernando CHEUNG Chiu-hung

Hon Ronny TONG Ka-wah, SC Hon Albert Jinghan CHENG

Members : Hon Mrs Selina CHOW LIANG Shuk-yee, GBS, JP

absent Hon LEUNG Yiu-chung

Hon Abraham SHEK Lai-him, JP

Public officers: Agenda item I attending

Dr LAW Chi-kwong, SBS, JP

Chairman of the Task Force on District-based Approach

Commission on Poverty

Professor CHOW Wing-sun, Nelson, SBS, JP

Member, Commission on Poverty

Mr KWOK Kwok-chuen, BBS, JP

Government Economist

Ms WONG Yuen-ling, Edna

Assistant Secretary to the Commission on Poverty

Mrs Betty IP

Deputy Secretary for Education and Manpower

Mr Byron LAM

Principal Assistant Secretary (Manpower Planning and Training) Education and Manpower Bureau

Mr D C CHEUNG

Principal Assistant Secretary for Health, Welfare and Food (Elderly Services and Social Security) 2

Mr TSANG Kin-woo

Assistant Commissioner for Labour (Employment Services)

Agenda item II

Dr LAW Chi-kwong, SBS, JP

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Government Economist

Ms WONG Yuen-ling, Edna

Assistant Secretary to the Commission on Poverty

Clerk in : Mrs Constance LI

attendance Chief Council Secretary (2)5

Staff in : Miss Betty MA

attendance Senior Council Secretary (2)1

Ms Anna CHEUNG

Legislative Assistant (2)5

I Implementation of recommendations in the Subcommittee's Report on Working Poverty (Paragraph 6.1 (e), (f), (g) and (h) in the Report) [LC Paper Nos. CB(2) 2727/05-06(01)&(02)]

<u>The Chairman</u> said that the Subcommittee would continue discussion with the Administration and Commission on Poverty (CoP) on the implementation of the following recommendations in the Subcommittee's Report on Working Poverty –

- Safeguarding employees' benefits (paragraph 6.1 (e) in the Report)
- Enhancing the competitiveness of the working poor through education and training (paragraph 6.1 (f) in the Report)
- Providing financial assistance to the working-poor households (including the provision of transport subsidy) (paragraph 6.1 (g) in the Report)
- Providing support services for working-poor households (paragraph 6.1 (h) in the Report)
- 2. <u>Assistant Secretary to CoP</u> (AS/CoP) briefed members on the salient points in the CoP Secretariat's paper on the financial assistance and support services provided for the working poor
 - (a) CoP had discussed the disregarded earnings (DE) arrangement under the Comprehensive Social Security Assistance (CSSA) Scheme at its meeting on 13 June 2006, including the objective, operation, the broader policy direction and interface with other support in assisting the unemployed and working poor. At that meeting, CoP members shared the view that the DE arrangement helped to encourage able-bodied CSSA recipients to find and remain in employment. CoP noted that the Health, Welfare and Food Bureau (HWFB) would conduct a more detailed examination of the existing DE arrangement in consultation with Social Welfare Advisory Committee, and would report the progress to CoP by the end of 2006 to facilitate CoP's consideration of the broad policy direction and interface issues. The Task Force on District-based Approach formed under CoP was also conducting a Study on District-based Support for the Disadvantaged in three pilot districts; and
 - (b) CoP expressed unanimous support for the Administration giving consideration to extend the short-term travelling support scheme for eligible graduates of the Employees' Retraining Board (ERB) with a view to facilitating the unemployed to take up employment. CoP was exploring with relevant bureaux, departments and non-governmental organisations (NGOs) the feasibility of and the mechanism for providing further support to the working poor. CoP would take into consideration the concerns about the possibility of abuse of the scheme and overlapping with other support services, as well as high administrative

costs for running the scheme. CoP aimed to launch a pilot project in the 2006-2007 financial year.

- 3. <u>Deputy Secretary for Education and Manpower</u> (DS/EMB) took members through EMB's paper detailing its work in assisting and encouraging able-bodies of low-income households to engage in work. <u>DS/EMB</u> said that the Administration shared the view that it was essential to equip the working poor with the necessary skills and education to prepare them for employment in the fast-changing and knowledge-based economy. Training programmes targeting at the unemployed, low-education and low-skilled workers as well as the youths were provided as follows-
 - (a) retraining programmes were provided to unemployed people under the Employees Retraining Scheme. Those who attended full-time placement-tied courses of more than one week and achieved an attendance rate of 80% or more were entitled to a retraining allowance of \$153.8 a day with a monthly maximum of \$4,000;
 - (b) to help low-skilled workers with low education to adapt to the changing economic environment, the Government introduced the Skills Upgrading Scheme in 2001 to provide subsidised skills upgrading training for in-service workers in selected industries. The scheme had so far offered about 7 700 classes benefiting about 156 000 workers;
 - (c) subsidised vocational courses were also provided for young people to acquire higher qualifications or upgrade their skills. Those who had financial difficulties could apply for student financial assistance through various schemes operated by the Student Financial Assistance Agency;
 - (d) the Youth Sustainable Development and Engagement Fund was established in 2004 to fund pilot projects which aimed at providing employment-related training programmes for non-engaged youths. So far, a total of 19 pilot projects had been approved;
 - (e) to facilitate young people's entry into the employment market, the Labour Department (LD) launched the Youth Pre-employment Training Programme and the Youth Work Experience and Training Scheme in 1999 and 2002 respectively. So far, over 110 000 young people had benefited from the programmes; and
 - (f) the Project Yi Jin was introduced in 2000 to provide an alternative educational pathway for school leavers and adults learners who wished to obtain a qualification for further study or employment purposes. Over 25 000 students had benefited from the project since its introduction.

- 4. <u>DS/EMB</u> said that the launching of the Continuing Education Fund aimed to better prepare Hong Kong's workforce for lifelong learning in a knowledge-based economy. <u>DS/EMB</u> further said that the Government encouraged employers to adopt employee-oriented practices to cater for their development and training needs, such as provision of study leave. <u>DS/EMB</u> added that the Government was establishing a Qualifications Framework to promote lifelong learning in the community, which would enable workers to set clear goals and directions for obtaining quality-assured qualifications.
- 5. On safeguarding employees' rights, <u>Assistant Commissioner for Labour (Employment Services)</u> (ACL) said that labour inspectors of LD would conduct workplace inspections to check wage and attendance records and interview the workers to ensure that they were not exploited by the Government services contractors. LD had increased the number of labour inspectors from six to 18 for conducting inspections and handling complaints relating to breaches of labour laws by government services contractors. <u>ACL</u> further said that a mandatory wage level requirement for Government services contract was introduced in May 2004. The procuring departments would be notified of any malpractice of contractors for further actions. Prosecution would be taken against the contractors if it was substantiated that the contractors concerned had breached labour laws. <u>ACL</u> added that to increase the deterrence effect on wage offences, since 30 March 2006, the penalty for wage defaults had been raised from a fine of \$200,000 and imprisonment for one year to a fine of \$350,000 and imprisonment for three years.

Providing financial assistance and support services for working-poor households

- 6. Mr TAM Yiu-chung said that the DE arrangement and provision of transport subsidy were areas worthy of further study, as these measures would provide incentives for the unemployed and low-income workers to seek and remain in employment. Mr TAM further said that the short-term travelling support scheme was insufficient to facilitate the unemployed persons and working poor residing in remote areas to seek employment and work across districts, as they would not be eligible for the subsidy if they had not attended retraining courses organised by ERB. He suggested that to prevent abuse of transport subsidies, the applicants would be requested to provide employment or wage records such as documents on contributions to the Mandatory Provident Fund (MPF) Schemes.
- 7. <u>AS/CoP</u> said that the provision of DE and longer-term travelling support to low-income employees living in remote areas were the major work focus of CoP to assist and support working-poor households. Concerning the provision of DE, HWFB would conduct a detailed examination of the existing arrangement, and members' views would be taken into account. Regarding the eligibility for travelling support scheme, <u>AS/CoP</u> said that CoP was aware of the suggestion of recognising MPF records as proof of employment. CoP would consider the different views received when devising the mechanism for implementing the longer-term travelling support to low-income employees living in remote areas.

- 8. <u>Mr Albert HO</u> said that there were no opposing views against the provision of transport subsidy to encourage the working poor to work across districts. <u>Mr HO</u> expressed concern about the slow progress made in implementing the travelling support scheme, and asked about the difficulties encountered.
- 9. <u>AS/CoP</u> said that CoP aimed to launch a pilot project on the travel support scheme in 2006-2007 to assist the unemployed living in remote areas to return to work. The Administration would consider whether a screening and monitoring mechanism should be put in place to ensure that the scheme would assist only those with genuine financial needs. The Administration had to work out the financial implications and operational details such as the duration of financial assistance and interface with other financial assistance schemes for low-income households.
- 10. <u>Mr Albert HO</u> expressed concern that travelling support scheme would become too complicated with high administration cost. <u>Mr HO</u> urged CoP to expedite the implementation of the travelling support scheme for low-income employees, now that the 2006-2007 Budget had been approved.
- 11. <u>AS/CoP</u> clarified that the proposal in the 2006-2007 Budget referred to a short-term travelling support scheme for eligible graduates of ERB to move from unemployment to work. The pilot scheme had in fact been launched in April 2006, and a review would be conducted in October 2006. <u>AS/CoP</u> said that CoP was exploring with relevant bureaux/departments and NGOs on the feasibility and mechanism for providing further support to the working poor as advocated by Members, i.e. providing longer-term travelling support to low-income employees living in remote areas. The Administration would take into account the experience of the trial short-term travelling support scheme when considering implementing the latter proposal. <u>AS/CoP</u> stressed that the Administration would consider the most effective way to enhance incentives for low-income employees to work, bearing in mind the principle of prudent management of public finance.
- 12. <u>Ms LI Fung-ying</u> said that the primary objective of providing transport subsidy to low-income workers was to provide incentive for them to stay in employment instead of going on welfare. <u>Ms LI</u> expressed concern about the coverage of the travelling support scheme if it was limited to low-income workers living in remote areas. She considered that high transport cost was a common problem faced by low-income workers in many districts such as Tsuen Wan. She hoped CoP could devise a fair and reasonable mechanism for providing transport subsidy to low-income workers. <u>Ms LI</u> also urged the Administration to make reference to the Special Incentive Allowance Scheme for Local Domestic Helpers which provided transport subsidy to local domestic helpers working across districts. <u>Ms LI</u> also asked whether assistance other than transport subsidy would be provided to low-income households not on CSSA.

- 13. <u>AS/CoP</u> said that CoP noted the strong call from the community on providing longer-term travelling support to low-income employees living in remote areas. In devising the implementation mechanism, the Administration would take into account the principle of fairness to people not living in remote areas, and make reference to the experience of the Special Incentive Allowance Scheme for Local Domestic Helpers.
- 14. On assistance to low-income households, <u>AS/CoP</u> said that the Government was committed to assisting such households to meet basic daily living requirements. To understand the severity of the problems faced by low-income workers and the duration of such families being in poverty, the Government Economist (GE) was assisting CoP in conducting a study on the earnings mobility situation in recent years. <u>AS/CoP</u> further said that in fact, one of the CoP priorities was to strengthen district networks in providing support services for the working poor. The CoP Task Force on District-based Approach was following up the study on improvements to employment services at district level available to low-income households not receiving CSSA.
- 15. Mr LEE Cheuk-yan considered that the working poor living in remote areas were those who most needed transport subsidy. He pointed out that it was reported that some employers in remote areas had reduced the wages of their employees who lived in the district by an amount equivalent to the transportation cost. The provision of transport subsidy could assist the working poor living in remote areas to work across districts, and also enhance incentives for the unemployed to take up Mr LEE advised that to his knowledge, the experience of trial employment. short-term travelling support scheme administered by ERB was unsuccessful. was because the application procedures were complex and applicants were limited to retrainees residing in selected pilot districts who had completed retraining courses organised by ERB. Mr LEE considered that there was a pressing need for CoP to expedite its study on the provision of longer-term transport subsidy to the working poor living in remote areas. Mr LEE asked about the progress of discussion among bureaux/departments on devising the implementation mechanism for the longer-term travelling support scheme. Mr LEE said that he was more inclined to support providing subsidy to individual low-income employees, instead of low-income households, as it might be difficult to screen applicants on household basis.
- 16. <u>AS/CoP</u> said that CoP would make reference to the operation of other financial assistance schemes and discuss the implementation mechanism of the pilot scheme next month. <u>AS/CoP</u> further said that the effectiveness of the short-term travelling support scheme should not be assessed simply by the number of beneficiaries, as the objective was to encourage unemployed people to take up employment.
- 17. <u>Dr Fernando CHEUNG</u> said that he supported the 2006-2007 Budget based on Financial Secretary (FS)'s undertaking in his Budget speech that transport subsidy would be provided to financially needy people living in remote areas to encourage them to attend job interviews and take up employment. He could not accept that there was still no progress several months after the Budget was passed. <u>Dr CHEUNG</u> expressed dissatisfaction that the Administration had not taken measures to address the poverty problem caused by poor planning of the remote districts. He

strongly urged the Administration to provide the timetable for implementing the transport subsidy scheme to the unemployed and working poor living in remote areas to encourage them to find jobs and work across districts.

18. <u>AS/CoP</u> explained that in the 2006-2007 Budget, FS announced that a short-term travelling support scheme for eligible graduates of ERB would be introduced with a view to facilitating the unemployed not on CSSA to move from unemployment to work. The short-term travelling support scheme had been launched, and the Administration would review the experience of the trial scheme later the year. <u>AS/CoP</u> added that in response to the community call for providing further support to the working poor, CoP was separately studying ways to provide longer-term travelling support to low-income employees living in remote areas. In view of the complexity of the issues involved, CoP was working on the implementation mechanism together with the relevant bureaux, departments and NGOs. The Administration aimed to launch a pilot project in 2006-2007.

Education, training and employment assistance for working poor

- 19. <u>Ms Emily LAU</u> said that some low-income employees who had missed the opportunity to receive formal education might wish to attend evening schools to continue education. She enquired about the assistance provided to these low-income employees to attend adult education courses.
- 20. <u>DS/EMB</u> said that evening school students could apply for reimbursement of 30% of tuition fees upon successful completion of the designated adult education courses. Students who had financial difficulties could apply for total reimbursement of tuition fees if they met the criteria for student financial assistance schemes administered by the Student Financial Assistance Agency. At the request of Ms Emily LAU, <u>DS/EMB</u> agreed to provide further information on adult education including the Financial Assistance Scheme for Designated Evening Adult Education Courses available to low-income employees.
- 21. <u>Ms Emily LAU</u> asked about the number of employers who had provided study leave to their employees and the average duration of the study leave granted. <u>ACL</u> responded that while employers were encouraged to grant study leave to their employees, LD did not keep such records.
- 22. <u>Ms Emily LAU</u> expressed reservation about the effectiveness of only encouraging employers to provide study leave for their employees.
- 23. <u>Mr LEE Cheuk-yan</u> commented that as a result of reduction in Government subsidies for the junior secondary evening courses, low-income workers had limited choice of courses if they wished to continue education.

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- 24. <u>DS/EMB</u> responded that under the above-mentioned financial assistance scheme, subsidies were provided for learners of the Secondary 4 to Secondary 7 of the designated evening courses. As for the junior secondary evening courses, the Administration was discussing with the existing operator and requested the operator to continue to offer those courses to prepare learners to proceed to the designated senior secondary courses.
- 25. <u>Miss CHAN Yuen-han</u> expressed disappointment at the slow progress in implementing the transport subsidy scheme for the working poor. <u>Miss CHAN</u> pointed out that despite the recent economic recovery, the unemployment rate stood at 5%, and low-skilled workers with low-educational attainment still had difficulty in finding employment even after completion of retraining courses. She considered that providing lower form evening courses and requesting employers to employ retrainees on a pilot basis were ways to assist the low-skilled worker. The Administration should also actively consider developing local economy, with a view to creating employment opportunities for lower-skilled workers.
- 26. <u>AS/CoP</u> said that CoP discussed ways to assist the working poor. Apart from promoting the local economy, CoP would continue to consider ways to assist the working poor and also provide targeted training and employment assistance to the low-skilled workers. These measures included strengthening the development of social enterprises, creating community employment opportunities, and enhancing the district-based poverty alleviation work through the Enhancing Self-Reliance Through District Partnership Programme. <u>AS/CoP</u> further said that assistance to the working poor was not confined to transport subsidies, and CoP would explore the feasibility of partnership with private sector in providing training and job opportunities for the low-skilled workers in the hotel services and elderly care industries.
- 27. <u>The Chairman</u> said that the Administration should seriously give preference to social enterprise projects in outsourcing Government services contracts. <u>AS/CoP</u> said that she would convey the suggestion to relevant policy bureaux for consideration.
- 28. <u>Dr LAW Chi-kwong</u>, Chairman of CoP Task Force on District-based Approach, added that instead of providing welfare or short-term relief, the Enhancing Self-Reliance Through District Partnership Programme aimed at job creation, enhancing the skills and capacities of the employable, and providing opportunities for the disadvantaged to upgrade themselves and to be effectively integrated with the community. Hence, high priority would be accorded to projects or social enterprises which would create jobs in districts with relatively fewer employment opportunities.
- 29. <u>ACL</u> said that to help job-seekers who had special difficulties in finding jobs, LD had launched a number of employment programmes. For instance, the Employment Programme for the Middle-aged encouraged employers to take on the middle-aged and provide them with three months' on-the-job training. Training allowance of \$4,500 was payable to participating employers in respect of each middle-aged job-seeker employed. The programme had placed over 23 000 persons

into employment. As for young people, LD had put in place the Youth Work Experience and Training Scheme which provided employment in the form of on-the-job training to young people aged 15 to 24 with educational attainment below degree level. A monthly allowance of \$2,000 up to a maximum of 12 months was payable to participating employers for each youth employed.

- 30. Referring to the Administration's paper [LC Paper No. CB(2)2727/05-06(02)], Mr LEUNG Kwok-hung commented that the information provided by the Administration on training places offered by various training programmes was meaningless, as the effectiveness of such training programmes should be evaluated by the number of attendees who had secured employment after attending the training programmes. Mr LEUNG urged the Administration to provide such information.
- 31. <u>ACL</u> said that since the inception of the Youth Pre-employment Training Programme, more than 66 000 youths had participated in the programme, and 70% of the participants found employment. As for the Youth Work Experience and Training Scheme, the programme provided employment in the form of on-the-job training to young people. So far, over 40 000 young people had benefited from the programme.
- 32. Principal Assistant Secretary for Education and Manpower added that ERB would offer about 103 000 training places in 2006-2007. In 2005-2006, of the 49 844 persons attended full-time placement-tied courses run by ERB, 48 200 of them were eligible for a retraining allowance on achieving an attendance rate of 80%, and 83% of graduates of ERB placement-tied training courses found employment. As for the Skills Upgrading Scheme, over 7 700 classes had been offered since its inception in 2001. The scheme aimed to help in-service workers to upgrade their skills to meet the changing needs of their industries.
- 33. As regards the progress in establishing a Qualifications Framework, <u>DS/EMB</u> said that the Administration was working on the standards of qualifications and its associated quality assurance mechanism, with a view to promoting lifelong learning in the community. <u>Mr TAM Yiu-chung</u> added that the Bills Committee on Accreditation of Academic and Vocational Qualifications Bill was studying the proposed legislation to give effect to the Qualifications Framework.

II Updated indicators of poverty

[LC Paper No. CB(2) 2727/05-06(03)]

34. <u>GE</u> said that CoP agreed earlier to compile a set of multi-dimensional indicators for monitoring the poverty situation in Hong Kong. These macro poverty indicators were meant to give a broad indication of how the poverty situation evolved over time. By identifying the key areas for more focused study, these indicators provided useful reference in policy formulation and evaluation. <u>GE</u> further said that the Administration's paper provided an annual update of the poverty indicators for the year 2005. <u>GE</u> then highlighted the analysis of the performance of the poverty indicators in 2005, as follows –

- (a) there was a general improvement in the indicators relating to employment and earnings;
- (b) the education-related indicators had improved steadily;
- (c) it was worth noting that while the number of able-bodied recipients on CSSA for less than one year had decreased, the number of those able-bodied recipients who had been on CSSA for more than one year had increased:
- (d) the shares of children CSSA recipients in the population of the corresponding age groups edged higher between end-2004 and end-2005; and
- (e) the six district-based poverty indicators exhibited improvements across districts, but the performance of all these indicators in Kwai Tsing, Tuen Mun and Yuen Long was below average.
- 35. <u>Professor Nelson CHOW</u>, member of CoP, agreed with GE that poverty indicators were meant to give a broad indication for more focused study. <u>Professor CHOW</u> said that he had made the following preliminary observations on the situation revealed by the poverty indicators
 - (a) there was correlation between family structure and the number of people living in poverty, e.g. the number of young children living in poverty had increased while the number of single parents on CSSA had also increased;
 - (b) although the unemployment situation had improved, the income level of low-income households remained more or less the same. To provide more incentives for low-income workers to stay in employment instead of relying on welfare, the DE arrangement would need to be reviewed in the light of the wage level in the labour market;
 - (c) the number of elderly living in poverty had been rather stable despite the ageing population, and the phenomenon was worthy of further study; and
 - (d) the poverty situation in some districts was related to the characteristics of the districts, e.g. fewer employment opportunities in the districts concerned.
- 36. <u>Dr LAW Chi-kwong</u> supplemented that the district-based poverty indicators provided useful information for formulating strategies for poverty alleviation at district level. For example, there was an increase in the unemployment rate in Wong Tai Sin and Yuen Long in 2005, which showed that measures should be formulated to

tackle the unemployment problem in these districts. <u>Dr LAW</u> said that while the indicators provided a broad indication of the poverty situation over a period of time, the indicators did not give information on the impact on poverty after receiving Government intervention. For example, CSSA payments were also regarded as household income. The indicators therefore helped to throw light on the situation and identify areas which would need further study.

- 37. <u>Ms Emily LAU</u> said that to her knowledge, the number of households whose monthly income was below \$4,000 had increased from 80 000 in 1996 to 180 000 to date. <u>Ms LAU</u> asked what measures the Administration would adopt to address the problem and how the poverty indicators would help the formulation of such strategies.
- 38. <u>GE</u> said that about 65% of those households with a monthly income below \$4,000 comprised elders. They were either not employed or were receiving CSSA. As for those who were unemployed or underemployed, the number had decreased in 2005 following the economic recovery.
- 39. <u>Professor Nelson CHOW</u> added that different strategies would have to be formulated to tackle the problems of specific groups. For example, the large proportion of old-aged low-income households exhibited the need to review the present social security and retirement protection system for old people. If there was an increase in number of children living in poverty in single-parent households, more assistance for single parents would be required. As for the adult group, the focus of study would be on employment opportunities and wage levels.
- 40. The Chairman said that an increase in the number of children in single parent families with an income below the average CSSA payment would be an indicator for the problem of intergenerational poverty. The Chairman asked about the progress in setting up a Child Development Fund to assist children living in poverty in Hong Kong.
- 41. <u>AS/CoP</u> said that the CoP Task Force on Children and Youth discussed in May 2006 the applicability of overseas experience in setting up a Child Development Fund in Hong Kong. The Task Force would continue to examine the gaps in existing services and support. CoP would further discuss the establishment of a Child Development Fund in September 2006, and would organise a Child Development Forum in November 2006 to help gauge views of relevant parties on ideas of an arrangement that suited Hong Kong's circumstances.
- 42. <u>The Chairman</u> commented that the unemployment problem should be tackled at district level with Government's policy support for developing local economy and creating employment opportunities. <u>AS/CoP</u> advised that the CoP Task Force on District-based Approach would continue to study how district networks and energies could be better harnessed to strengthen support services for the working poor.

- 43. <u>Ms LI Fung-ying</u> noted from Table 24 of the Administration's paper that the unemployment rate in Wong Tai Sin had increased from 7.9% in 2004 to 8.2% in 2005. She asked about the reasons for the increase. She was concerned that the Administration might have overlooked the poverty problem in urban areas. She requested the Administration to further study the phenomenon.
- 44. <u>GE</u> responded that the Administration would keep a close watch on the unemployment rate in Wong Tai Sin in the coming months and would study the phenomenon in greater detail if the situation sustained.
- 45. <u>Dr LAW Chi-kwong</u> said that the number of working population in Wong Tai Sin was the lowest among the 18 districts. It was noted that there was a comparatively large proportion of public housing estates and limited employment opportunities in Wong Tai Sin. <u>Dr LAW</u> considered that the short-term measures to tackle poverty problem at less well-off districts were to create employment opportunities at district level.
- 46. <u>Miss CHAN Yuen-han</u> shared Dr LAW Chi-kwong's view that there were limited employment opportunities in Wong Tai Sin. <u>Miss CHAN</u> said that the situation in Wong Tai Sin demonstrated that an economic upturn would not necessarily lead to improvements in the employment situation. In this connection, she urged the Administration to incorporate the need for developing local economy and creating employment opportunities in Wong Tai Sin when taking forward the South East Kowloon development plan. She also suggested that the Administration should consider converting the use of old government factory buildings in Wong Tai Sin for operation of creativity business.
- 47. <u>GE</u> stressed that the Administration would take into account different views and specific needs of residents in the vicinity when taking forward new development plan.

III Any other business

Work plan of the Subcommittee [LC Paper No. CB(2) 2727/05-06(04)]

- 48. The Chairman said that as there was insufficient time for discussion of the work plan of the Subcommittee, the matter would be discussed at the next meeting scheduled for 5 October 2006. Members agreed. The Chairman further said that members were invited to make suggestions on new topics for study before the next Subcommittee meeting.
- 49. There being no other business, the meeting ended at 6:47 pm.

Council Business Division 2 <u>Legislative Council Secretariat</u> 21 November 2006