### 立法會 Legislative Council

LC Paper No. FC100/06-07 (These minutes have been seen by the Administration)

Ref: CB1/F/1/2

### **Finance Committee of the Legislative Council**

Minutes of the 8th meeting held at the Legislative Council Chamber on Friday, 20 April 2007, at 3:00 pm

### **Members present:**

Hon Emily LAU Wai-hing, JP (Chairman)

Hon CHAN Kam-lam, SBS, JP (Deputy Chairman)

Hon Albert HO Chun-yan

Ir Dr Hon Raymond HO Chung-tai, SBS, S.B.St.J., JP

Hon LEE Cheuk-yan

Hon Martin LEE Chu-ming, SC, JP

Dr Hon David LI Kwok-po, GBS, JP

Hon Fred LI Wah-ming, JP

Dr Hon LUI Ming-wah, SBS, JP

Hon Margaret NG

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

Hon CHEUNG Man-kwong

Hon CHAN Yuen-han, JP

Hon Bernard CHAN, GBS, JP

Hon LEUNG Yiu-chung

Hon SIN Chung-kai, JP

Dr Hon Philip WONG Yu-hong, GBS

Hon WONG Yung-kan, JP

Hon Jasper TSANG Yok-sing, GBS, JP

Hon Howard YOUNG, SBS, JP

Dr Hon YEUNG Sum

Hon LAU Chin-shek, JP

Hon LAU Kong-wah, JP

Hon Miriam LAU Kin-yee, GBS, JP

Hon CHOY So-yuk, JP

Hon Andrew CHENG Kar-foo

Hon Timothy FOK Tsun-ting, GBS, JP

Hon TAM Yiu-chung, GBS, JP

Hon Abraham SHEK Lai-him, JP

Hon LI Fung-ying, BBS, JP

Hon Tommy CHEUNG Yu-yan, JP

Hon Albert CHAN Wai-yip

Hon Frederick FUNG Kin-kee, SBS, JP

Hon Audrey EU Yuet-mee, SC, JP

Hon Vincent FANG Kang, JP

Hon WONG Kwok-hing, MH

Hon LEE Wing-tat

Hon LI Kwok-ying, MH, JP

Dr Hon Joseph LEE Kok-long, JP

Hon Daniel LAM Wai-keung, SBS, JP

Hon Andrew LEUNG Kwan-yuen, SBS, JP

Hon Alan LEONG Kah-kit, SC

Hon LEUNG Kwok-hung

Dr Hon KWOK Ka-ki

Dr Hon Fernando CHEUNG Chiu-hung

Hon CHEUNG Hok-ming, SBS, JP

Hon WONG Ting-kwong, BBS

Hon Ronny TONG Ka-wah, SC

Hon CHIM Pui-chung

Prof Hon Patrick LAU Sau-shing, SBS, JP

Hon Albert Jinghan CHENG

Hon KWONG Chi-kin

### **Members absent:**

Hon James TIEN Pei-chun, GBS, JP

Hon James TO Kun-sun

Hon Mrs Sophie LEUNG LAU Yau-fun, SBS, JP

Hon LAU Wong-fat, GBM, GBS, JP

Hon Jeffrey LAM Kin-fung, SBS, JP

Hon MA Lik, GBS, JP

Hon TAM Heung-man

### **Public officers attending:**

Mr Alan LAI Nin, GBS, JP Permanent Secretary for Financial Services

and the Treasury (Treasury)

Miss Amy TSE, JP Deputy Secretary for Financial Services and

the Treasury (Treasury) 1

Mr Alfred FOK Principal Executive Officer (General),

Financial Services and the Treasury Bureau

(The Treasury Branch)

Mr Philip YUNG, JP Deputy Secretary for the Environment,

Transport and Works (Transport)1

Mr WAI Chi-sing, JP Director of Highways

Mr David TO Assistant Commissioner for Transport

(Planning)

Mrs Betty FUNG, JP Deputy Secretary for Education and

Manpower (1)

Miss Charmaine LEE Principal Assistant Secretary (Higher

Education)

Education and Manpower Bureau

Professor John LEONG, OBE, JP President

The Open University of Hong Kong

Professor LEUNG Chun-ming Vice President (Technology and

Development)

The Open University of Hong Kong

Ms Carol YIP Deputy Secretary for Health, Welfare and

Food (Elderly Services and Social Security)

Mr D C CHEUNG Principal Assistant Secretary for Health,

Welfare and Food (Elderly Services and

Social Security)2

Mr Tony YIP Assistant Secretary for Health, Welfare and

Food (Elderly Services and Social Security)4

Miss Nancy LAW, JP Acting Director of Social Welfare

Mr K S WU Chief Social Security Officer 1

Social Welfare Department

Mr Kenneth NG Senior Statistician

Social Welfare Department

#### **Clerk in attendance:**

Ms Pauline NG Assistant Secretary General 1

#### **Staff in attendance:**

Miss Becky YU
Mrs Mary TANG
Ms Alice CHEUNG
Chief Council Secretary (1)1
Senior Council Secretary (1)2
Senior Legislative Assistant (1)1

Mr Frankie WOO Legislative Assistant (1)2

### Item No. 1 - FCR(2007-08)1

## RECOMMENDATIONS OF THE PUBLIC WORKS SUBCOMMITTEE MADE ON 7 FEBRUARY 2007

The <u>Chairman</u> put FCR(2007-08)1 except PWSC(2006-07)74 to the vote. The Committee approved the proposal.

# PWSC(2006-07)74 582TH Central Kowloon Route - consultants' design fees and site investigations

- 2. <u>Dr KWOK Ka-ki</u> said that the proposal to expand the scope of and increase the approved project estimate for "Central Kowloon Route (CKR) consultants' design fees and site investigations" was first discussed by the Public Works Subcommittee (PWSC) at its meeting on 19 December 2006. Given the concern over the need to preserve the built heritage of Yau Ma Tei Police Station (YMTPS), the proposal was withdrawn and re-submitted to PWSC on 7 February 2007. The Administration advised that the scope of consultancy studies would be revised to include a development option which allowed for the preservation of YMTPS. To ensure that the resources earmarked for the consultancy studies were well spent, he considered that assurance on the preservation of the built heritage of YMTPS should be given.
- 3. The Deputy Secretary for the Environment (DS(T)) said that the consultancy studies would review the previous alignment proposals and develop new alignment options for CKR, including one which would allow for the preservation of The Administration would maintain close liaison with the relevant YMTPS. Legislative Council (LegCo) Panel(s) on the progress of the development of alignment options for CKR. The Director of Highways (DHy) said that there were immense difficulties in formulating an alignment for CKR within the densely populated Central Kowloon District. With the proposed funding, the Administration would endeavour to work out an option which would allow for the preservation of YMTPS. Detailed studies would be made on the impact of the construction of CKR on the surrounding environment, including TMTPS. Public consultation would be conducted as appropriate.
- 4. <u>Dr KWOK Ka-ki</u> was concerned that the Administration would renege on its promise on the preservation of YMTPS. Hence, he would have reservation in supporting the proposal if the Administration was not able to provide assurance on preservation of the built heritage of YMTPS. <u>DS(T)</u> said that the Administration was committed to reviewing the previous alignment options and developing new alignment options for CKR, including one which would allow for the preservation of YMTPS. It would examine the requirements and impacts associated with the various alignment options with due regard to the need for preservation or reprovisioning of the affected community facilities and possible impacts on private properties. Consultation would be conducted to gauge public views on the preferred alignment scheme for CKR.

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- 5. Mr Vincent FANG noted with concern that the construction of CKR would span over a period of four years. As the alignment of CKR would stretch across the busy business areas in Central Kowloon, he enquired if assessment had been made on the impact of construction works on the business operations in the affected districts. DS(T) said that the Administration had initiated discussions with District Councils and affected parties on the proposed construction of CKR and the discussions were on-going. DHy said that following the discussion at the PWSC meeting on 7 February 2007, the Administration had consulted 16 affected associations/business organizations on the proposal. The views collected would be included in the tender specifications of the consultancy so that consultants would be made aware of the concerns raised by the affected parties. Further consultation would be held before deciding on the choice of alignment.
- 6. Mr Vincent FANG enquired about the arrangements to be made to assist the affected businesses, in particular the Yau Ma Tei Fruit Wholesale Market and the Temple Street hawker bazaar which would be most affected by the proposed CKR project. DS(T) clarified that the Yau Ma Tei Fruit Wholesale Market would not be affected by the CKR project as it was not situated within the construction site. Meanwhile, on-going discussions were being carried out with the affected stallholders of the Temple Street hawker bazaar. DHy added that the Administration was well aware of the concerns of the affected stallholders and would endeavour to minimize the impacts of the construction works of the project on them. Where necessary, arrangements would be made for relocating the stalls temporarily to a nearby site to enable continuation of business.
- 7. Mr CHEUNG Hok-ming said that Members of the Democratic Alliance for Betterment and Progress of Hong Kong would support the proposal as CKR was necessary to resolve the traffic congestion in Central Kowloon. The Government should also make it clear to the consultants the need for preservation of built heritage and local culture. He enquired whether the cost incurred from public consultation would be included in the consultants' fee. DHy answered in the affirmative, adding that the cost would have to be set out in the tenders submitted by the consultants. He supplemented that the Administration had made it clear at the PWSC meetings that an alignment of CKR would be designed in a way to allow for the preservation of built heritage in the area. The Administration would submit this option together with other alternatives to LegCo for consideration.
- 8. Mr LEUNG Kwok-hung expressed reservation on the use of consultants to conduct public consultation as in the case of the West Kowloon Cultural District Development. DHy explained that the concerns raised by the community would be set out in the tender specifications so that the consultants would need to engage experts in the field of culture and heritage preservation to conduct further consultation to address these concerns. DS(T) said that the Administration would actively participate in the public consultation process and maintain contact with affected parties. A high-level steering committee comprising representatives from relevant departments would be established to oversee the CKR project.

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- 9. Mr LEUNG Yiu-chung said that the need for re-submission of the funding proposal at the PWSC meeting on 7 February 2007 was due to the concern over the impact of the CKR project on local culture and built heritage. He enquired whether specifications on the need for preservation would be given to the consultants in the design of CKR under the present proposal. DS(T) said that as set out in the Administration's paper, the consultants would be required to consider the social impacts arising from the adoption of various alignment options and their associated reprovisioning arrangements. The performance of different viable combinations of alignment and reprovisioning options would be conducted in terms of the economic, social and environmental aspects, paying particular attention to the preservation of the built heritage and local culture. As there was no scientific definition on the preservation of culture and heritage, there was a need to exchange views with the local residents on what should or should not be preserved.
- 10. Mr LEE Wing-tat said that Members of the Democratic Party maintained the stance that the alignment of CKR should not affect the new and old Annexes to In this connection, the consultants should be requested to design an alignment for CKR taking into account the financial and social implications associated with the preservation. He did not wish to see the scenario where the consultants would recommend an option which required the demolition of YMTPS after considerable time and resources had been spent on the design or CKR. He stressed that the public should be consulted on the alignment options, and that the decision on the choice of option should rest with the community rather than the Administration. DHy said that as a responsible government, the Administration would examine the different alignment options, including the one which allowed for the preservation of YMTPS. He added that subject to approval, consultants would be engaged to commence studies in August 2007. Public consultation would be conducted to identify the possible alignment options. These possible options would be submitted to and deliberated by LegCo in 2008 with a view to identifying a preferred option for detailed design, which was expected to be completed in 2012 to enable commencement of construction of CKR in 2012 for completion in 2016.
- It Dr Raymond HO noted that the portion of CKR in Kowloon Bay between Kowloon City Ferry Pier and Kai Tak Runway would be built in the form of an immersed tube tunnel under the seabed as a result of the reduction in scale of reclamation in the Kai Tak Development and West Kowloon Cultural District Development. As very complicated site investigation and construction works would be involved to avoid extensive underground utilities network, he supported the Administration's approach of engaging consultants to identify the different alignment options to facilitate assessments on their impacts on the environment, built heritage and local culture. He also agreed that the public should be consulted in the different stages of the project before deciding on the preferred alignment option.
- 12. <u>Prof Patrick LAU</u> said that he wished to be assured that there would be an alignment option which would preserve YMTPS and other built heritage in the area. He also enquired about the actions to be taken if YMTPS was a declared monument. <u>Mr LEUNG Kwok-hung</u> also enquired if it was possible to identify an alignment option which would not affect YMTPS, particularly if it was a declared monument.

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<u>DHy</u> said that the Administration would need to identify an alignment option which would not affect YMTPS in the event that it was a declared monument, and that an agreement on its preservation was reached. The preferred alignment option should be one which had the support of the community at large. However, in the absence of detailed studies on the alignment options, he was not in a position to commit on the preservation of YMTPS. <u>DS(T)</u> said that the Administration would assess various options, not only confining to those which would preserve YMTPS.

- 13. Mr Frederick FUNG said that a consensus on the need for preservation of the built heritage in Central Kowloon had been reached at the two PWSC meetings. However, it appeared that the Administration was not firm on its commitment to preserve the built heritage and only agreed to study various options, including the one which would allow for the preservation of YMTPS. He questioned why the Administration was not able to provide an undertaking to adopt an alignment which would preserve YMTPS. He also considered that public consultation should be conducted by the Administration rather than the consultants as the latter seemed to have deviated from the established practice. DHy said that it would not be fair at the present stage for the Administration to unilaterally adopt an alignment which might preserve YMTPS but affect many other private properties without taking into account the views to be collected through public consultation. He stressed the need to assess the impact of various alignment options and consult the affected parties before arriving at a decision. It was worth to note that at the initial round of public consultation, dissenting views on the need for preservation of the new wing of YMTPS had been received.
- 14. The <u>Chairman</u> enquired if the CKR project could be put to a halt in the event that the preferred alignment option did not eventually meet with the approval of LegCo. <u>DHy</u> said that if the current funding proposal was approved, consultants would be engaged to carry out a comprehensive consultation exercise with a view to identifying possible alignment options, including the one which would allow for preservation of YMTPS, for consideration by LegCo. Detailed design for CKR would commence upon the acceptance of a final alignment scheme by LegCo as well as the community. In the event that all the alignment options were not considered acceptable by LegCo, the CKR project would have to be put to a halt. The <u>Chairman</u> reminded the Administration to allow sufficient time for LegCo to consider the options as LegCo would be dissolved in the summer of 2008 to prepare for re-election.
- 15. <u>Dr KWOK Ka-ki</u> requested to place on record the Administration's affirmation that the CKR project would be put to a halt if all the alignment options were not considered acceptable by LegCo. He also enquired about the feasibility of approving funding by stages given that the public consultation, design and site investigations for the project would be carried out by phases. <u>DHy</u> said that to ensure continuity, it would be more desirable to have one consolidated funding proposal so that the same consultant would be engaged to conduct the consultancy studies as well as the public consultation exercise and detailed design. <u>Dr KWOK</u> considered it imprudent to award the consultancy fee of \$192.3 million to the consultants at one go because the project would be put to a halt if it turned out that all

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the alignment options proposed were not found to be acceptable. <u>DHy</u> advised that expenditure for the project would be phased from 2007 to 2013 as set out in the Administration's paper, while the exact cost breakdown had to be provided by the consultants.

16. The <u>Chairman</u> put the item to vote. The Committee approved the proposal.

### Item No. 2 - FCR(2007-08)2

# HEAD 156 – GOVERNMENT SECRETARIAT : EDUCATION AND MANPOWER BUREAU

New Capital Account Subhead "Open University of Hong Kong" New Item "Grant to the Open University of Hong Kong for establishing a Centre For Innovation"

- 17. The <u>Chairman</u> informed members that the Panel on Education was consulted on the proposal at its meeting on 22 March 2007.
- 18. Mr Jasper TSANG, Chairman of Panel on Education, said that the Panel was supportive of the proposal. Concern had however been raised on whether the Open University of Hong Kong (OUHK) would increase tuition fees to cover the recurrent costs arising from the operation of the Centre For Innovation (CFI). In response to the Chairman, the President of OUHK confirmed that sufficient resources had been earmarked for the operation of CFI, and that the relevant costs would not be transferred to students.
- 19. While supporting the proposal, <u>Dr KWOK Ka-ki</u> was concerned about the high tuition fees of OUHK which were beyond the affordability of many students. As the fees might have to be further increased to cover the additional costs incurred from the operation of CFI, he enquired about the means to reduce the financial burden of students. The <u>President of OUHK</u> said that OUHK was operating on a self-financing basis and about 90% of its recurrent costs were recovered by tuition fees. The tuition fees for the first two years were the same as other University Grants Committee-funded universities while the fees for the third and fourth year were slightly higher, ranging from \$42,000 to \$49,000. He reiterated that establishment of CFI would not affect the tuition fees.
- 20. <u>Dr Joseph LEE</u> declared interest as a staff member of OUHK. He was concerned about the resource implications associated with the operation of CFI. He questioned why only partial funding of \$62.8 million was proposed to be provided to meet the capital expenditure of \$80.8 million for the establishment of CFI, thus requiring OUHK to absorb the balance of \$18 million with its own resources. The <u>Deputy Secretary for Education and Manpower (1)</u> explained that OUHK had only applied for \$62.8 million to meet the capital expenditure for the establishment of CFI and the Administration had supported OUHK's request in full. She added that OUHK had undertaken to contribute to the cost of development by providing

\$18 million, being half of the costs of developing the e-learning modules/courses, from its own funding. Responding to the question on resource implications, the Vice President (Technology and Development) of OUHK said that the operating cost of CFI was quite minimal as compared to its capital cost.

- 21. <u>Dr KWOK Ka-ki</u> enquired about the recurrent cost of operating CFI and the likelihood of reducing tuition fees following the establishment of CFI. Referring to the breakdown on the estimated expenditure of the project as set out in the Administration's paper, the <u>President of OUHK</u> said that the proposed funding would mainly be used for the capital expenditure of establishing CFI. The operating cost of CFI, amounting to \$2 million to \$3 million per year, would be met by OUHK. He added that the likelihood of reducing tuition fees following the establishment of CFI would be quite slim, unless there was a huge increase in the number of students enrolling in OUHK.
- 22. The <u>Chairman</u> put the item to vote. The Committee approved the proposal.

### Item No. 3 - FCR(2007-08)3

#### **HEAD 170 – SOCIAL WELFARE DEPARTMENT**

- Subhead 179 Comprehensive social security assistance scheme
- Subhead 180 Social security allowance scheme
- 23. The <u>Chairman</u> informed members that the Panel on Welfare Services (WS Panel) was consulted on the proposal at its special meeting on 30 March 2007.
- 24. <u>Miss CHAN Yuen-han</u>, Chairman of WS Panel, said that the Panel did not object to the proposal. However, the proposed provision of one additional month of standard rate Comprehensive Social Security Assistance (CSSA) payment for CSSA recipients and one additional month of allowance for Social Security Allowance (SSA) recipients could not have resolved their financial difficulties. The Panel had therefore requested for a review of the standard rates for CSSA and SSA, so that recipients would be provided with sufficient means to meet their basic needs.

### **CSSA**

25. <u>Dr Fernando CHEUNG</u> noted that with the huge fiscal surplus, the Administration had undertaken to provide handouts to different levels of the community in the form of tax rebates, rates waivers and additional welfare assistance. However, it had failed to address the basic needs of needy families. As CSSA payments were means-tested, there was a need to assess whether such payments would enable needy families to meet their basic and essential needs. Therefore, a review of the basic and essential needs of households was necessary as the last review made in 1996 was outdated and could not reflect present-day circumstances. He also noted that the Administration had not provided information on the proposed increase in the "no deduction" limit for disregarded earnings (DE) and the relaxation of criteria

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for CSSA recipients to be eligible for DE as pledged by the Financial Secretary under the 2007-2008 Budget. <u>Miss CHAN Yuen-han</u> added that the proposal to increase DE and its "no deduction" limit was discussed by the WS Panel. While all political parties unanimously supported the proposal, there was call for review of the DE mechanism with a view to improving it.

- The Deputy Secretary for Health, Welfare and Food (Elderly Services and 26. Social Security) (DS(ES&SS)) said that the purpose of the CSSA Scheme was to provide a safety net of last resort for needy families to meet their basic and essential The standard CSSA rates were adjusted annually to take into account price needs. changes by making reference to the Social Security Assistance Index of Prices (SSAIP) and taking into account the average household incomes. It was worth noting that the current monthly payment of \$9,344 for a four-member CSSA household was already appreciably higher than the average monthly income of \$8,500 for a four-member non-CSSA household in the lowest 20% income group. As CSSA was non-contributory, there was a need to ensure that these payments were justified, and that they would not be much higher than the market wages for low-skilled workers. The present levels of CSSA payments were found to be able to meet the basic and The Administration would keep in view of price changes essential needs of families. in adjusting standard CSSA rates. As regards the suggested increase of monthly DE and its "no deduction" limit, <u>DS(ES&SS)</u> said that the Administration was considering how to take the matter forward having regard to the views expressed by the WS Panel.
- 27. Mr LEE Cheuk-yan remarked that the annual adjustment of standard CSSA rates in line with SSAIP was not able to adequately meet the basic needs of recipient families. Given that the last review was conducted in 1996, and that CSSA rates had been adjusted downward in 1999 to take account of deflation, there was a need for a comprehensive review of the existing rates of CSSA to ensure that these could better meet their basic needs. He further pointed out that the plight of the low-income non-CSSA families indeed reflected the urgent need for minimum wages and consolidated policies on welfare and labour. While Members of the Hong Kong Confederation of Trade Unions would not object to the proposal which would benefit CSSA and SSA recipients, he was concerned that the working poor i.e. those who were not eligible for CSSA/SSA payments and not required to pay salary tax nor rates were left out from the package of giveaways.

### OAA

28. <u>Dr Fernando CHEUNG</u> noted that some elderlies who were not CSSA recipients were relying on Old Age Allowance (OAA) under SSA to meet their basic needs. The provision of an additional month allowance could not help them in resolving their difficulties and hence a full and comprehensive review of the adequacy of CSSA and SSA should be made. <u>Mr WONG Kwok-hing</u> echoed that the level of OAA allowance had not been reviewed for a long time. The current OAA payment of \$625 per month (or \$20.80 per day) was far from enough to meet the basic needs of the elderlies. In the absence of retirement benefits for most workers in Hong Kong and the lack of job opportunities for people aged 60 or above, there was a need to review the age limit for OAA. <u>Mr LEE Cheuk-yan</u> recalled that years ago, political

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parties had submitted an united request to the Administration for a higher OAA but no changes had since been made. He considered it high time that OAA should be reviewed to take account of price changes.

- 29. <u>DS(ES&SS)</u> said that unlike CSSA, OAA was not intended to provide for basic and essential needs of recipients but an allowance to help elders to address special needs that might arise from old age. For those unemployed workers who would require financial assistance to meet their basic needs, the assistance should come from CSSA rather than OAA, the latter of which would be subject to an age limit of 65. She added that the Administration had decided to maintain the level of OAA at the existing level as deflationary adjustments had not been made in 2003 along with standard CSSA rates.
- 30. Mr TAM Yiu-chung said that Members of the Democratic Alliance for Betterment and Progress of Hong Kong were supportive of the proposal. However, as many non-CSSA elderlies were relying on OAA to subsidize their living expenses, consideration should be given to introducing a special kind of welfare assistance to help them. Sharing similar concerns, Miss CHAN Yuen-han pointed out that as most elderlies had savings, they were not eligible for CSSA and OAA was the only source of income to meet their basic needs. She hoped that the Administration would accede to the WS Panel's request to provide the necessary assistance to the elderlies. DS(ES&SS) said that with the improvement in fiscal conditions, additional resources would be deployed to assist elderly in meeting their needs. Apart from the provision of financial assistance, the services rendered to elderlies had also been enhanced. Mr Abraham SHEK stressed the need to adopt a people-oriented approach in implementing welfare policies, and that more financial assistance should be provided to the elderlies.
- Mr WONG Kwok-hing requested the lifting of the absence limit for OAA 31. He said that as retired civil servants were not subject to any residence requirement for their pensions, he queried why a double standard should apply to He further pointed out that Mainland retirees residing in Hong Kong were eligible for retirement benefits offered by their Mainland employers upon presentation of the survival proof certified by the Hong Kong Federation of Trade Unions. He urged the Administration to consider adopting a similar arrangement for OAA recipients. DS(ES&SS) said that the permissible limit of absence was necessary as OAA was meant for elders who chose to remain in Hong Kong as their place of residence. Under the Portable CSSA Scheme, CSSA recipients could choose to live in the Guangdong and Fujian Provinces. At members' request, the Administration undertook to provide supplementary information on the number of OAA recipients who had become ineligible for OAA due to exceeding the annual permissible limit of 240 days absence from Hong Kong and the amount of allowance involved.
- 32. Mr WONG Kwok-hing opined that by limiting the Portable CSSA Scheme to recipients who chose to reside in the Guangdong and Fujian Provinces, the Administration would be seen to be discriminating against those who chose to live in other provinces in the Mainland. Given the limited number of CSSA recipients who

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chose to reside in other provinces in the Mainland, <u>DS(ES&SS)</u> said that there were practical difficulties in extending the Portable CSSA Scheme to all other provinces in the Mainland because deployment of additional resources to these provinces for monitoring a small number of cases would not be cost effective. The <u>Chairman</u> suggested that the subject should be further discussed by the WS Panel.

- 33. Mr LEUNG Kwok-hung said that the Administration was trying to obviate the need for a review of the standard rates for CSSA and SSA through the proposed provision of an additional month allowance. He shared members' views that a comprehensive review of the basic and essential needs for CSSA households should be carried out given that the last survey was conducted in 1996. He added that the working poor and the needy elderlies should be given the necessary assistance to tide over their financial difficulties.
- 34. <u>Mr Tommy CHEUNG</u> said that Members of the Liberal Party were supportive of the proposal.
- 35. The <u>Chairman</u> put the item to vote. The Committee approved the proposal.
- 36. The meeting was adjourned at 4:50 pm.

<u>Legislative Council Secretariat</u> 25 June 2007