

立法會
Legislative Council

LC Paper No. CB(2)1534/07-08

(These minutes have been
seen by the Administration)

Ref : CB2/PL/WS

Panel on Welfare Services

**Minutes of meeting
held on Monday, 17 March 2008, at 10:45 am
in Conference Room A of the Legislative Council Building**

Members present : Dr Hon Fernando CHEUNG Chiu-hung (Chairman)
Hon CHAN Yuen-han, SBS, JP (Deputy Chairman)
Hon Albert HO Chun-yan
Hon LEE Cheuk-yan
Dr Hon YEUNG Sum, JP
Hon TAM Yiu-chung, GBS, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Dr Hon KWOK Ka-ki
Hon Mrs Anson CHAN, GBM, JP

Members absent : Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon LI Fung-ying, BBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP

Public Officers attending : Item IV

Mr Stephen Fisher, JP
Director of Social Welfare

Miss Nancy LAW, JP
Deputy Director of Social Welfare (Administration)

Item V

Mr Matthew CHEUNG Kin-chung, GBS, JP
Secretary for Labour and Welfare

Mr Paul TANG, JP
Permanent Secretary for Labour and Welfare

Ms Carol YIP, JP
Deputy Secretary for Labour and Welfare (Welfare) 2

Mrs Kathy NG
Assistant Director of Social Welfare (Elderly)

Ms LEUNG Kwai-ling
Principal Social Work Officer (Social Security)
Social Welfare Department

Clerk in attendance : Miss Betty MA
Chief Council Secretary (2) 4

Staff in attendance : Mr Chris LAI
Senior Council Secretary (2) 7

Miss Maggie CHIU
Legislative Assistant (2) 4

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I. Confirmation of minutes
[LC Paper No. CB(2)1296/07-08]

The minutes of the meeting held on 14 February 2008 were confirmed.

II. Information paper(s) issued since the last meeting

2. Members noted that no information paper had been issued since the last meeting.

III. Items for discussion at the next meeting
[LC Paper Nos. CB(2)1297/07-08(01) and (02)]

3. Members agreed to discuss the following items proposed by the Administration at the next meeting on 14 April 2008 –

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- (a) Review of rent allowance under the Comprehensive Social Security Assistance (CSSA) Scheme; and
- (b) Setting up of an Integrated Community Support Services Centre cum Long Stay Home in Tin Shui Wai Area 109.

4. Pointing out that the Administration had undertaken to report progress on the introduction of a licensing scheme for residential care homes for the disabled in the second quarter of 2008, the Chairman suggested that the Panel should follow up the matter at the April meeting. Members agreed.

(Post-meeting note : At the request of the Administration and with the concurrence of the Chairman, the progress of the "Licensing of residential care homes for people with disabilities" would be discussed at the meeting on 16 May 2008.)

IV. Creation of an Assistant Director of Social Welfare post to take charge of the social security portfolio

[LC Paper No. CB(2)1297/07-08(03)]

5. Director of Social Welfare (DSW) briefed members on the Administration's proposal to create one permanent post of Assistant Director of Social Welfare (ADSW) at D2 level, to be designated as Assistant Director (Social Security) (AD(SS)), in the Social Welfare Department (SWD) to oversee the social security portfolio and to head the Social Security (SS) Branch. The proposed post would be offset by the deletion of one permanent post of Principal Social Work Officer (PSWO) at D1 level which was released upon completion of a review of the district structure of SWD. The background and justifications for the staffing proposal were detailed in the Administration's paper. DSW added that the Administration planned to submit the proposal to the Establishment Subcommittee (ESC) of the Finance Committee (FC) for consideration at the meeting on 30 April 2008.

6. Dr YEUNG Sum supported in principle the Administration's proposal. Dr YEUNG said that in view of the growth of the ageing population and their financial difficulties as well as the increase in the number of low-income households, the incumbent of the new post should accord priority to reviewing the provision of social security services under the various schemes, viz. to review the basic need items to be included in determining the CSSA standard payments and to keep in view the effectiveness of the Support for Self-reliance (SFS) Scheme for helping employable able-bodied CSSA recipients to return to work. The new AD(SS) should also be tasked to reinforce prevention of social security fraud and abuse.

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7. DSW shared Dr YEUNG Sum's view that there were a number of inadequacies in the existing structure in respect of the social welfare portfolio. He envisaged that the creation of the new post would strengthen the manpower and expertise in the SS Branch in respect of development, management and operation of the social security system, which would in turn boost the staff morale of the Branch. DSW said that the magnitude of fraud and abuse of the social security system was not serious as compared with the number of caseload. That said, SWD would continue its efforts to ensure that the CSSA resources would be targeted at those in genuine need. As regards his earlier remarks responding to the media enquiry about abuse cases involving children on CSSA and whose parents were Mainland residents, DSW said that SWD was aware of such cases and would be cautious in exercising discretion in approving applications to safeguard against abuse. He stressed that there was no question of making changes to the current policy on approving CSSA applications.

8. Regarding the need for conducting a review of the basic needs of CSSA recipients, DSW said that the Administration had kept the standard payment rates and special grants under the CSSA Scheme under constant review in accordance with the established mechanism. The Administration was aware of the call from some CSSA recipients and deputations that expenses on internet should be regarded as a basic need item, and it had held internal discussions in this respect. Having regard to the availability of free internet access in most schools and the fact that not every CSSA household was in need of internet service, the proposal of including expenses on internet service in the basic need items of CSSA recipients would require further study.

9. Mr LEE Cheuk-yan considered it impractical for children on CSSA to use the computers at school during night time. He added that the adjustment mechanism for CSSA payments did not include reviews or updates on the items to be included for determining the CSSA rates, and this should by no means be regarded as a comprehensive review of the CSSA Scheme.

10. In view of the substantial increase in social security payments and the complexity of the system, Mr TAM Yiu-chung considered it justifiable for the Administration to create an ADSW post at D2 level to oversee the social security portfolio. He enquired about the specific improvements to be made to the management and monitoring of the social security system following the creation of the proposed post.

11. DSW explained that at present, the Deputy Director of Social Welfare (Administration) (DDSW(A)) directly supervised the work of the SS Branch with the support of five Chief Social Security Officers (CSSOs). In the absence of a dedicated ADSW to take charge of the social security portfolio, many routine operational issues which were beyond the responsibility of staff at the CSSO

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level and should be dealt with at the directorate level had been escalated to DDSW(A) who was already hard pressed in attending to the operational details of the SS Branch, in addition to overseeing a number of other Branches under her span of control. DSW said that the creation of an ADSW post would not only enhance the operation of the SS Branch, but also facilitate better co-operation with other divisions of SWD and relevant Government departments. DSW added that the Administration would review regularly the manpower requirements for the social security portfolio, and would redeploy the existing resources in the light of changing service demand. It would bid for additional resources to further enhance manpower support according to the established mechanism, if necessary.

12. Mr LEE Cheuk-yan expressed reservation about the Administration's proposal to create an ADSW post at D2 level simply because of the lack of full-time directorate support to DDSW(A) on the social security front. He was concerned about the improvements to be brought about after creation of the new post. Mr LEE said that apart from strengthening the directorate support in SWD, the Administration should critically examine the overall staffing position of the SS Branch. He urged the Administration to review the terms of employment of Non-civil Service Contract (NCSC) staff in SWD, and convert these positions into civil service posts taking into account the operational needs.

13. DSW responded that in line with the standing practice, policy formulation responsibility would normally be assumed by officers at AD level or above. A full-time officer at D2 level was considered operationally essential to head the SS Branch. DSW said that SWD would review regularly the continued need for NCSC positions. In the light of resource implications, it was difficult in practice for the Administration to convert all NCSC positions into civil service posts. Given that a number of recruitment exercises for civil service posts in SWD were in the pipeline, NCSC staff would be encouraged to apply for the civil service posts, and their relevant working experience would be given due regard in the recruitment process.

14. DDSW(A) added that there were over 1 000 civil service posts and over 100 NCSC positions of Social Security Assistants (SSA) in SWD. She said that the number of civil service posts of SSA created in 2007-2008 and to be created in 2008-2009 would be over 100. In two recent open civil service recruitment exercises for SSA, many SSAs on NCSC terms had applied for the posts and been appointed. At the Chairman's request, DDSW(A) agreed to provide the relevant figures after the meeting.

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15. Mrs Anson CHAN supported in principle the proposed ADSW post. She hoped that the creation of an ADSW post to oversee the daily operation of the social security system would allow DDSW(A) to focus her attention on how to improve the operation and monitoring of the social security system. She added

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that having regard to the difficulties faced by the applicants, SWD frontline staff should give more sympathetic considerations in processing CSSA applications, especially in exercising discretion for approving applications.

16. DSW responded that given the growing volume and complexity of CSSA cases, frontline staff of the SS Branch had been working under great pressure in processing applications. While recognizing the need to exercise discretion for cases with genuine need, it was of paramount importance to ensure the prudent use of public money in the light of the comments made in The Ombudsman's Report and the Director of Audit's Report regarding the CSSA Scheme. DSW said that SWD had issued new internal guidelines on the operation of discretionary mechanism under the CSSA Scheme.

17. On the initiatives to assist the long-term unemployed CSSA recipients to move from welfare to self-reliance, Mrs Anson CHAN suggested that reference could be made to the Australian experience in outsourcing the employment and training services for welfare recipients to the private operators.

18. DDSW(A) responded that SWD had implemented the SFS Scheme to assist able-bodied employable CSSA recipients aged between 15 and 60 to improve their employability and seek paid employment. She said that under the Intensive Employment Assistance Projects, welfare non-governmental organizations (NGOs) were commissioned to provide tailor-made training and employment services for CSSA recipients participating in the projects.

19. The Chairman said that the Subcommittee on Review of the CSSA Scheme had concluded its work and put forth a number of recommendations in its report, including conducting a comprehensive review of the CSSA Scheme. A motion on the Subcommittee's report was passed at the Council meeting on 20 February 2008. The Chairman took the view that as DDSW(A) would no longer need to attend to the operational details of the SS Branch upon the creation of the new ADSW post, DDSW(A) could put more efforts in reviewing the provision and operation of social security services, and conduct a comprehensive review of the CSSA Scheme.

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20. Dr YEUNG Sum requested the Administration to set out its policy direction and work plan in respect of the social security portfolio in the paper to ESC, such as the plan for reviewing the basic need items for determining the CSSA standard payment rates and the effectiveness of welfare-to-work initiatives.

21. Mr LEE Cheuk-yan strongly urged the Administration to undertake to conduct a comprehensive review of the CSSA Scheme. He reiterated that some civil service posts in SWD, such as SSA and Employment Assistance (EA) Co-ordinators had been filled by NCSC staff for a prolonged period. To

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enhance the provision of social security services, Mr LEE said that the Administration should review the continued need for NCSC positions and the effectiveness of the Active Employment Assistance Programme, and set out its way forward when submitting the staffing proposal to ESC for consideration.

22. DSW said that the Administration would provide an update of the staffing position of the SS Branch and would incorporate members' views in its paper to ESC for consideration.

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23. The Chairman added that the high turnover rates of frontline staff responsible for social security services would cause undue inconvenience to the applicants. The Administration should also address this problem. The Chairman requested the Administration to provide information on the number of SSAs and EA Co-ordinators on NCSC term in SWD and the respective staff turnover rates, and the number of SSAs and EA Co-ordinators on NCSC term who had taken up comparable civil service posts in the past three years.

24. The Chairman concluded that members expressed general support for the proposed creation of an ADSW post at D2 level to oversee the social security portfolio. However, members took the view that following the creation of the proposed post, the Administration should review the provision of social security services and the manpower requirements for the delivery of such services.

V. Welfare-related initiatives under the 2008-2009 Budget
[LC Paper No. CB(2)1297/07-08(04)]

25. Secretary for Labour and Welfare (SLW) briefed members on the welfare-related initiatives under the 2008-2009 Budget which required funding support of FC. He said that the Financial Secretary (FS) had earmarked a total of about \$18 billion in the Budget to launch various initiatives to assist the disadvantaged, of which about \$4.45 billion were for welfare-related initiatives under the portfolio of the Labour and Welfare Bureau (LWB). SLW said that the financial provision in LWB for 2008-2009 was about \$37.8 billion, which represented a growth of about 11.2% when compared to the 2007-2008 Revised Estimate. It also constituted about 17.6% of the total Government recurrent expenditure. SLW added that the Administration would seek FC's approval of the financial commitment for the welfare-related initiatives as set out in the Administration's paper as soon as possible.

Support for carers

26. Dr YEUNG Sum expressed grave concern about the difficulties faced by family members of elderly who had long-term care needs to age in the community. To this end, Dr YEUNG urged the Administration to strengthen

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support and assistance for the carers, such as enhancing home-based care services.

27. SLW responded that the Administration fully understood the difficulties faced by carers in taking care of their elder family members. He said that to promote ageing in the community, the Administration would continue to strengthen the provision of home-based care services which included homemaking, meal delivery and escort service. The Administration had launched a trial scheme in 2007 providing carer training courses for about 660 trainees a year and developing "carer" services in three districts.

Residential care services for the elderly

28. Mr Albert HO said that he had no objection to the proposed welfare-related initiatives, but was disappointed with the Administration's failure to come up with long-term measures to address the difficulties faced by the needy. Pointing out the unduly long waiting time for subsidized residential care homes for the elderly (RCHEs), Mr HO held the view that the Administration and the Elderly Commission (EC) should accord priority to the formulation of long-term planning of residential care places for the elderly. Dr YEUNG Sum expressed similar views. Dr YEUNG and Mr HO urged the Administration to give a pledge for shortening the waiting time for subsidized RCHEs, especially nursing home places for elders with severe impairment level.

29. SLW responded that the Administration recognized the huge demand for subsidized residential care services for the elderly as a result of the ageing population. It would continue to bid for additional resources to increase the supply of subsidized RCHEs. However, increasing continuously the supply of residential care places alone would not be sufficient to meet the growing needs due to a number of contributing factors, and the Administration would encourage a balanced mix of public and private elderly care services to widen the choices for quality self-financing and private residential care places providing different services. The Administration would continue to work with EC on the long-term planning of the provision of residential care services for the elderly. EC had started discussion on residential care services for the elderly just in late 2007, and would need some time to study the subject in view of the complexity of issues involved. SLW added that some elders were staying in non-subsidized residential care places while waiting for subsidized residential care places, and some who were staying at home while waiting for subsidized residential care places were also receiving subsidized home-based community care services or day care services.

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Adjustment of the CSSA payment rates

30. Dr YEUNG Sum expressed concern about the adequacy of the standard payment rates for the CSSA recipients to meet their daily living at times of high inflation. He urged the Administration to conduct a comprehensive review of the CSSA Scheme expeditiously.

31. SLW responded that to ease the impact of rising prices on CSSA households, the Administration proposed to adjust the CSSA standard payment rates in accordance with the existing mechanism ahead of the normal schedule this year. The adjustment would take into account the movement of the Social Security Assistance Index of Prices (SSAIP) up to April 2008. An established mechanism had been put in place to review and update the weighting system of SSAIP. SLW said that the Administration also proposed to provide one additional month of CSSA standard rate payments for CSSA recipients and one additional month of allowance for recipients of Disability Allowance.

32. Mr LEE Cheuk-yan welcomed the proposal to adjust the CSSA standard payment rates ahead of the normal schedule this year. He suggested that consideration should be given to adjusting the CSSA payment rates according to the year-on-year movement of SSAIP of the latest month, which would reflect the latest price level more accurately. Mr LEE enquired about the latest figure of SSAIP.

33. SLW responded that the latest SSAIP movement registered an increase of about 3%. As regards Mr LEE Cheuk-yan's proposal, SLW said that having regard to the impact of seasonal factors on the prices of consumer goods, the 12-month moving average SSAIP would provide a better basis for determining the level of CSSA standard payment rates. Since the current adjustment mechanism of the CSSA standard payment rates has been working effectively, the Administration did not see the need for a change.

Lump Sum Grant subvention system

34. Noting that the Administration would provide an additional recurrent allocation of \$200 million to subvented NGOs on the Lump Sum Grant (LSG) subvention system starting from the 2008-2009 financial year, Mr LEE Cheuk-yan and the Chairman enquired about the rationale for the decision. They pointed out that as a result of the Enhanced Productivity Programme (EPP) and the Efficiency Savings (ES) in the past years, 9.3% of the LSG subventions had been reduced. The additional allocation of \$200 million was far from adequate to tackle the financial problems and high staff turnover rates faced by NGOs on LSG.

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35. SLW responded that EPP and ES were implemented across the public sector, including Government departments and subvented bodies. The allocation of an additional recurrent funding to 162 NGOs on LSG aimed to help strengthen their administration support for the effective delivery of welfare services. SLW added that the Administration would implement interim/facilitating measures to ease the financial difficulties faced by NGOs. He said that the Lotteries Fund Advisory Committee had agreed to allocate a one-off grant of \$200 million for subvented NGOs to strengthen support and training for staff and enhance service quality. In addition, all new services to be implemented by NGOs from 1 January 2008 would not be subject to EPP and ES adjustments. Furthermore, new projects of existing services awarded to NGOs since 1 April 2000 with the personal emolument of some grades below the mid-point would be restored to the mid-point salary starting from 1 April 2008. In response to the welfare sector's request, a Lump Sum Grant Independent Review Committee had been set up to conduct a comprehensive and objective review on the LSG subvention system.

36. Mr LEE Cheuk-yan remained dissatisfied at the Administration's response. He took the view that the allocation of a one-off grant from the Lotteries Fund could not resolve the financial difficulties and high staff turnover rates faced by most NGOs. Mr LEE reiterated that the Administration should consider increasing the subventions baseline.

Measures to assist the working poor

37. While welcoming the welfare-related initiatives under the 2008-2009 Budget, Miss CHAN Yuen-han expressed concern about the lack of concrete measures to address the problems faced by the working poor. To tackle the problem of working poverty at source, Miss CHAN considered that the pilot Transport Support Scheme (TSS) should be extended to low-income workers living in all districts, if they had to commute long distance to work. She held the view that prior to the introduction of a minimum wage legislation, the transport subsidy could be regarded as a form of income supplement for low-income workers.

38. SLW explained that having regard to the fact that there were relatively fewer local employment opportunities in the four designated remote districts and the higher transport costs to work across districts, TSS aimed to provide time-limited transport subsidy to needy job-seekers and low-income employees living in the four remote districts to seek and stay in employment. Taking into account the findings of the review on the effectiveness of the scheme, the Administration proposed to relax suitably the eligibility criteria of applicants and the subsidy period. SLW said that the Administration would brief the Panel on Manpower on the details of the proposed relaxations under TSS at its forthcoming meeting on 20 March 2008.

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39. Mr LEUNG Kwok-hung expressed grave concern about the difficulties faced by the working poor. Pointing out that the Chief Executive (CE) had undertaken to tackle the problem of working poverty in his election pledge, Mr LEUNG urged the Administration to formulate concrete anti-poverty measures to honour CE's pledge. He considered the proposed one-off injection of \$6,000 into the Mandatory Provident Fund accounts of low-income workers far from adequate to meet the imminent needs of the working poor. In his view, the introduction of a minimum wage legislation was one of the effective means to tackle the problem of working poverty at source.

40. To provide more incentive for able-bodied employable CSSA recipients to work, Mr Albert HO said that the Democratic Party (DP) had put forth a proposal to improve the disregarded earnings (DE) arrangement under the CSSA Scheme. Under DP's proposal, CSSA recipients who were eligible for DE would be given a lump sum equivalent to the total amount of earnings that were disregarded, if they remained in employment for a period of time. He believed that the proposal would provide CSSA recipients with more financial incentive to find jobs and remain in employment, and assist them to leave the CSSA net eventually.

41. SLW responded that the purpose of DE arrangement aimed to encourage employable CSSA recipients to find and remain in employment. He said that the Administration had raised the no-deduction limit for DE from \$600 to \$800 per month. While the DE arrangement allowed CSSA recipients who worked to be financially better off than those relying entirely on welfare, the level of DE should be maintained at a level which would not attract those without a genuine need to enter the CSSA net and encourage existing recipients from prolonging their stay under the Scheme. Moreover, higher rates of DE would mean that CSSA families with an employed member would receive a monthly income higher than the low-income families.

42. The Chairman pointed out that while the Administration had raised the no-deduction limit for DE from \$600 to \$800 per month, no corresponding upward adjustment was made to the maximum level of DE. He considered that the Administration should consider seriously the DP's proposal so as to help CSSA recipients build and accumulate assets.

Home Environment Improvement Scheme for the Elderly

43. Noting that the subsidy under the proposed scheme to help needy elderly improve their home would be subject to a ceiling of \$5,000, Mr TAM Yiu-chung expressed concern about the adequacy of the subsidy for eligible elders to improve their home environment.

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44. SLW responded that the proposed scheme aimed to provide elders without family support, who lived in dilapidated homes with poor fittings and lacked financial means to improve their home conditions, with minor home maintenance and improvement services and the necessary fittings. Setting the ceiling of the subsidy at about \$5,000 for each eligible elder would benefit about 40 000 needy elders/elderly households. SLW said that as social enterprises could be engaged to carry out the minor maintenance and improvement works, the proposed scheme would also foster the development of the sector. SLW added that the Administration would review the effectiveness of the scheme and fine-tune the implementation details in the light of the operational experience.

45. The Chairman suggested that consideration should be given to extending the proposed scheme to people with disabilities (PWDs) who had needs to improve their home conditions and essential fittings which were necessary to facilitate their daily activities.

46. Recognizing the need to help PWDs to improve their home conditions, SLW said that PWDs aged 60 or above could apply for subsidy under the proposed scheme. The Administration would also look into the case of PWDs aged below 60.

Financial protection in old age

47. Mr TAM Yiu-chung considered that the Administration should further relax the permissible annual absence limit from Hong Kong for the Old Age Allowance (OAA). As the number of OAA recipients who met the permissible annual absence limit was not particularly large, further relaxation would have minimal impact on public fund. Mr LEUNG Kwok-hung made a similar request.

48. SLW responded that the annual permissible limit of absence for OAA had been relaxed from 180 to 240 days since 1 October 2005. The measure allowed the recipients to spend more time to travel or visit their relatives and friends outside Hong Kong or take up short-term residence, while on the other hand ensured that public funds were spent on Hong Kong residents who regarded Hong Kong as a place of permanent residence. Further relaxation would also give rise to difficulties in administering and monitoring the OAA Scheme.

49. Dr YEUNG Sum expressed disappointment at FS's remarks made in his Budget Speech for not increasing the OAA rates, which had given the public an impression that elders were a heavy burden on the community. He said that the total amount required for increasing the monthly OAA to \$1,000 was much smaller than the reduction in revenue resulting from the tax relief measures announced in the Budget. While raising no objection to conducting a study on

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how to improve the OAA Scheme, Dr YEUNG said that elders had expressed grave reservation about the introduction of a means-test mechanism.

50. Miss CHAN Yuen-han expressed concern about the financial difficulties faced by needy elders who relied solely on OAA for a living. In view of the ageing population, Miss CHAN strongly urged the Administration to implement a universal retirement protection scheme expeditiously. She advised that the Hong Kong Federation of Trade Unions had put forth a proposal urging the Administration to provide needy elders with a monthly income supplement of \$1,000, pending the introduction of a universal retirement protection scheme.

51. The Chairman said that the phenomenon of about 40% of elderly living in poverty was unacceptable as compared with that in other developed countries. Since some 100 000 needy elders were not receiving CSSA, there was a pressing need for the Administration to provide more assistance to these elders. The Chairman noted that LWB would conduct a study on how to improve the OAA Scheme, and cautioned that the Administration should not introduce means test for the Scheme.

52. SLW said that the Administration attached great importance to providing assistance to the elderly in need. The issue which had to be resolved was how additional assistance could be provided to the elderly in need but without further increasing the burden of the OAA Scheme on public finance in the long run. LWB would conduct in-depth studies on how to improve the OAA Scheme, and was open minded on the various options and would seek views from various sectors of the community. The Administration hoped that a sustainable and affordable option for the community could be worked out by the end of the year.

53. Mr LEE Cheuk-yan said that instead of conducting a review of the OAA Scheme, the Administration should take the opportunity to study why the needy elders did not apply for CSSA, but relied on OAA for a living. In his view, the asset limit and the one-household requirement under the CSSA Scheme had deterred needy elders from applying for CSSA. To provide genuine assistance for the elderly in need, the Administration should study the feasibility of introducing a universal retirement protection scheme.

54. SLW said that the challenge for the study on how best to improve the OAA Scheme was to work out a sustainable and affordable option for the community. To expand the scope of the study on OAA would unduly delay the completion date. SLW further said that some 180 000 needy elders were on CSSA. Needy elders in dire financial position could apply for CSSA which provided a safety net of last resort.

55. Pointing out that the subject of universal retirement protection was nothing new, Mr LEE Cheuk-yan disagreed that the issue should not be considered in the

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context of the study for improving the OAA Scheme to provide more assistance for the elderly in need. Mr LEE was dissatisfied at the slow progress of the study conducted by the Central Policy Unit (CPU) on "Sustainability of the Three Pillars of Retirement Protection". He said that the study had taken almost five years, and the Administration should provide an update on the progress.

56. Miss CHAN Yuen-han was of the view that it was the Government's responsibility to formulate long-term measures to meet the challenges brought by an ageing population. She did not see the need for the findings of CPU's study to become a pre-requisite condition for the Administration to implement a universal retirement protection.

57. Mrs Anson CHAN considered that CPU was tasked to provide advice to CE and the Bureau Secretaries, and it was the Government's responsibility to formulate policy. In view of the strong call from the community, Mrs CHAN considered that the Administration should provide a concrete timetable for the implementation of a universal retirement protection scheme, irrespective of whether the CPU's study was completed.

58. Mr LEUNG Kwok-hung said that members had held lengthy discussion on the universal retirement protection scheme on various occasions. He strongly urged the Administration to provide concrete implementation timetable without further delay.

59. SLW said that to his knowledge, the CPU's study was ongoing. He would make enquiry about the latest progress made. Responding to the Chairman, SLW said that the subject of universal retirement protection straddled a number of bureaux and departments, such as LWB and the Financial Services and the Treasury Bureau. He said that the Government would fully consider the findings of the CPU's study in deciding on its way forward.

60. In the light of members' grave concern about the progress of the CPU's study, the Chairman suggested that the Panel should write to the Chief Secretary for the Administration to enquire about the latest position. Mr Albert HO said that since the subject of financial security in old age was a matter for the Government, the Panel should write to CE instead. Members agreed.

61. In closing, the Chairman said that members welcomed the welfare-related initiatives under the 2008-2009 Budget. Members, however, considered that the Administration should further enhance the assistance for the disadvantaged to address their specific needs, such as enhancing support and assistance for elderly in poverty and the working poor, addressing the problems faced by the subvented welfare sector, and implementing a universal retirement protection scheme.

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VI. Any other business

62. There being no other business, the meeting ended at 12:45 pm.

Council Business Division 2
Legislative Council Secretariat
11 April 2008