# 立法會 Legislative Council

LC Paper No. CB(2)472/08-09 (These minutes have been seen by the Administration)

Ref: CB2/PL/WS

#### **Panel on Welfare Services**

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

**Members** : Hon Albert CHAN Wai-yip (Chairman)

**present** Hon CHEUNG Kwok-che (Deputy Chairman)

Hon Albert HO Chun-yan Hon LEE Cheuk-yan Hon LEUNG Yiu-chung

Hon TAM Yiu-chung, GBS, JP Hon LI Fung-ying, BBS, JP Hon WONG Kwok-hing, MH Hon Alan LEONG Kah-kit, SC Hon LEUNG Kwok-hung

Hon Ronny TONG Ka-wah, SC Hon Paul CHAN Mo-po, MH, JP

Hon WONG Sing-chi

Hong WONG Kwok-kin, BBS

**Member** : Hon Frederick FUNG Kin-kee, SBS, JP

absent

**Public Officers**: Items IV and V attending

Mr Matthew CHEUNG Kin-chung, GBS, JP

Secretary for Labour and Welfare

Ms Carol YIP, JP

Deputy Secretary for Labour and Welfare (Welfare) 2

Mr Stephen Fisher, JP Director of Social Welfare

### Item IV

Mr D C CHEUNG

Principal Assistant Secretary for Labour and Welfare (Welfare) 4

Miss Nancy LAW, JP

Deputy Director of Social Welfare (Administration)

Mr Kenneth NG Wing-cheung Senior Statistician (Social Welfare) Social Welfare Department

### Item V

Miss Helen TANG Principal Assistant Secretary for Labour and Welfare (Poverty)

Mrs Anna MAK Assistant Director of Social Welfare (Family and Child Welfare)

Clerk in attendance

: Miss Betty MA

Chief Council Secretary (2) 4

Staff in attendance

: Mr Chris LAI

Senior Council Secretary (2) 5

Miss Maggie CHIU Legislative Assistant (2) 4

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### I. Confirmation of minutes

[LC Paper No. CB(2)155/08-09]

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

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

[LC Paper No. CB(2)99/08-09(01)]

2. <u>Members</u> noted that a referral from Duty Roster Members on issues relating to Mainland women giving birth in Hong Kong had been issued since the last meeting.

### III. Items for discussion at the next meeting

[LC Paper Nos. CB(2)190/08-09(01) and (02)]

- 3. <u>Members</u> agreed to discuss the following items proposed by the Administration at the next meeting to be held on 8 December 2008 at 10:45 am
  - (a) Proposed amendment to the Domestic Violence Ordinance; and
  - (b) Replacement of the Computerised Social Security System.
- 4. Referring to the list of outstanding items for discussion by the Panel (LC Paper No. CB(2)190/08-09(01)), the Chairman said that the Administration had provided an update on the latest position of the outstanding items. Having regard to the latest development, members agreed to delete the following items from the list
  - (a) item 6 "Setting up of a refugee centre for abused men";
  - (b) item 9 "A solution-focused approach in the provision of welfare services";
  - (c) item 12 "Staff turnover in Special Child Care Centres"; and
  - (d) item 17 "Home Environment Improvement Scheme for the Elderly".

### Proposals for appointment of subcommittees by the Panel

- 5. Mr CHEUNG Kwok-che said that a number of items in the Panel's list of outstanding items for discussion were related to the livelihood of the elderly. He suggested that a subcommittee should be formed under the Panel to study issues relating to livelihood protection and financial support for elders.
- 6. <u>Mr LEUNG Yiu-chung</u> took the view that the Panel should appoint a subcommittee on the review of the Comprehensive Social Security Assistance (CSSA) Scheme. <u>Mr LEUNG Kwok-hung</u> expressed support for Mr LEUNG Yiu-chung's proposal.

- 7. Mr WONG Kwok-hing said that the Panel should discuss the system for processing applications for Disability Allowance (DA) (item 18 of the Panel's list of outstanding items) as soon as possible. Alternatively, he was considering proposing to form a subcommittee under the Panel to follow up the related issues.
- 8. To facilitate members' consideration of the proposals for appointment of subcommittees, <u>Ms LI Fung-ying</u> suggested that individual members should submit their proposals in writing to the Panel, together with the proposed terms of reference of the subcommittees.
- 9. <u>The Chairman</u> said that in-depth discussion had been held by the Subcommittee on Elderly Services and the Subcommittee on the Review of the CSSA Scheme on the issues of concern raised by members in the last term. To avoid unnecessary repetition of efforts, members were requested to forward to the Secretariat their proposals together with the specific study areas and the work plan of the subcommittees. The Panel would then discuss the proposals at the next meeting. <u>Members</u> agreed.
- IV. Adjustment of payment rates under the Comprehensive Social Security Assistance Scheme and the Social Security Allowance Scheme [LC Paper Nos. CB(2)190/08-09(03) and (04)]
- 10. Secretary for Labour and Welfare (SLW) said that to ease the impact of inflation on the CSSA recipients, the Administration had adjusted upwards the standard payment rates ahead of the normal cycle by 4.4% with effect from 1 August 2008. As the CSSA rates had been adjusted upwards by 2.8% from 1 February 2008, there had been a cumulative increase of 7.3% in the standard payment rates. SLW further said that up to September 2008, the 12-month moving average of the Social Security Assistance Index of Prices (SSAIP) of October 2007 to September 2008 registered an increase of 4.2% when compared with the period of May 2007 to April 2008. For DA, the 12-month moving average of SSAIP up to September 2008 registered an increase of 8.8% when compared with that of the period November 2006 to October 2007. SLW added that in line with the annual adjustment cycle, the Administration would take into account the SSAIP figure for October 2008, which would only be available by end-November 2008, in its submission to the Finance Committee (FC).
- 11. <u>SLW</u> said that as announced by the Chief Executive (CE) on 24 October 2008, it was proposed that the monthly rates for the Normal Old Age Allowance (OAA) and Higher OAA would be increased to \$1,000 across-the-board. <u>SLW</u> added that the new rates of CSSA and DA so approved by FC would be

implemented with effect from 1 February 2009, while that of OAA from January 2009.

- 12. Mr LEE Cheuk-yan opined that the funding proposal was an annual regular exercise taking into account the inflation/deflation reflected by the 12-month moving average of SSAIP. It did not review the adequacy of the CSSA standard payment rates in meeting the basic needs of the recipients. As the payment rates were determined based on the findings of a review on the CSSA Scheme conducted more than 10 years ago, the day-to-day basic items covered under the Scheme were incompatible with present needs. Coupled with the abolition of a number of special grants in 1998, the CSSA recipients had to meet the expenses on essential items, e.g. internet charges, within the standard payment rates. Mr LEE strongly urged the Administration to conduct a comprehensive review on the adequacy of CSSA standard payment rates expeditiously.
- 13. <u>SLW</u> responded that the CSSA Scheme was a safety net of last resort for those who could not support themselves financially. The Administration had all along attached great importance to the livelihood of the welfare recipients. To ease the impact of inflation on the recipients, the Administration had adjusted upwards the CSSA standard payment rates by 4.4% ahead of the normal cycle in 2008. <u>SLW</u> said that on top of the regular monitoring on the changes of SSAIP, the weighting system of SSAIP was updated once every five years on the basis of the findings of the Household Expenditure Survey (HES) on CSSA households. The last round of HES on CSSA households was conducted in 2004-2005, and the next round would be conducted in 2009-2010.
- 14. Expressing similar views with Mr LEE Cheuk-yan, Mr WONG Sing-chi said that the needs and expenditure patterns of CSSA households had changed in the past decade. In his view, the Administration should keep pace with present needs in determining the items and their relative importance covered by SSAIP, and the level of CSSA payments. He cited that it was now very common for students to use the Internet to do homework and that spectacles were indispensible for students with eyesight problems, the Administration should recognize that internet charges and spectacles were necessary items to be provided for in the standard rates of CSSA.
- 15. <u>SLW</u> reiterated that the relative weighting of individual items of goods and services covered by SSAIP would be updated in the forthcoming HES on CSSA households. The current monthly CSSA was considered sufficient to meet the basic needs of a family. It was noticed that the average CSSA monthly payment of CSSA households was comparatively higher than the average monthly income of non-CSSA households in the lowest 20% income group, as well as the average monthly expenditure of non-CSSA households in the lowest 25% expenditure group. In the event that CSSA households encountered exceptional difficulties

in covering expenses on spectacles for children, further assistance would be considered on a case-by-case basis. <u>SLW</u> advised that the CSSA Scheme had taken care of the special needs of children, though not their developmental needs. Notably, the standard rates for children were higher than those of able-bodied adults. On the use of the Internet by children on CSSA, many schools and community centres provided computers with Internet access for free use by their students and the public respectively. Responding to members' concerns, <u>SLW</u> said that the Administration could look into the aspect of Internet access charges when conducting the next round of HES on CSSA households.

- 16. <u>Mr LEUNG Yiu-chung</u> considered it impractical for CSSA children to use computers at school or community centres during night time. Moreover, children on CSSA might be stricken by a sense of inferiority sprung from their lower living standards. To ensure that the CSSA payments could meet the daily expenditure of the recipients, <u>Mr LEUNG</u> took the view that a review of the items of goods and services to be covered by SSAIP was more important than updating the relative expenditure shares of those items currently covered by the index.
- 17. <u>SLW</u> stressed that the weighting of SSAIP (i.e. the relative expenditure shares of individual items of goods and services covered by the index) would be updated on the basis of the findings of HES on CSSA households. Nevertheless, as he had stated earlier, the Administration could look into the aspect of Internet access charges in the forthcoming HES on CSSA households.
- 18. Mr WONG Kwok-hing expressed support for increasing the monthly rates of OAA to \$1,000. He asked about the concrete timetable for completing the review on the annual permissible limit of absence from Hong Kong under OAA and whether the review on OAA would cover the assets and income limits for OAA recipients aged between 65 and 69.
- 19. <u>SLW</u> responded that the Administration was conducting a review on the permissible limit of absence from Hong Kong under OAA, which was expected to be completed by end 2008/early 2009. The Administration would revert to the Panel on the findings of the review in the first quarter of 2009. <u>SLW</u> added that as announced by CE on 24 October 2008, the study on the proposal of introducing a means test mechanism to OAA was shelved for the time being. The current means test criteria for Normal OAA would be maintained.
- 20. Referring to Chart 3 of the Administration's paper, Mr WONG Kwok-hing asked why the expenditure on DA in 2008-2009 registered a drastic increase when compared with that of 2007-2008. <u>SLW</u> explained that the increase in DA expenditure in 2008-2009 was largely attributed to the provision of two additional months of allowance for DA recipients.

- 21. Mr WONG Kwok-kin considered that apart from meeting the basic needs of CSSA recipients, the Administration should provide target assistance to different categories of recipients to meet their specific needs. He cited that to help unemployed CSSA recipients re-enter the labour market, consideration should be given to providing a new category of CSSA payments for them to meet the expenses arising from job seeking. Mr LEUNG Yiu-chung shared a similar view and said that special grants should be provided to unemployed CSSA recipients in this respect.
- 22. <u>SLW</u> responded that the CSSA Scheme comprised different standard rates for broad categories of recipients to meet their normal day-to-day basic needs, with higher rates going to children, elderly and single parents; and a wide range of special grants to meet the recipients' special needs on an individual basis. Target assistance was provided for able-bodied unemployed CSSA recipients to find jobs. Besides, they could apply for the job search allowance under the pilot Transport Support Scheme (TSS).
- 23. Deputy Director of Social Welfare (Administration) (DDSW(A)) supplemented that able-bodied employable CSSA recipients were required to join the Support for Self-reliance Scheme. Single parents and child carers receiving CSSA would need to enroll in the New Dawn Intensive Employment Assistance Projects when their youngest child reached the age of 12. Non-governmental organisations (NGOs) commissioned by Social Welfare Department (SWD) to operate the Integrated Employment Assistance Scheme programmes would provide employment assistance services (including temporary financial assistance to attend job interviews) and basic skills training to these CSSA recipients.
- 24. Mr Ronny TONG considered it meaningless for the Administration to highlight an increase in welfare expenditure without making reference to the corresponding change in the number of recipients. Referring to Chart 2 of the Administration's paper, he considered that the increase in CSSA expenditure in 2008-2009 was largely attributed to the provision of two additional months of standard payment rates for CSSA recipients. In his view, such one-off payments should be taken out to better illustrate the actual increase in CSSA expenditure. In addition, the increase in CSSA expenditure could be resulted from an increasing number of needy families, as evident by the rising Gini coefficient in Hong Kong. Noting that the Administration had adjusted upwards the CSSA rates in the past few years, Mr TONG wondered why the prevailing average monthly CSSA payments of a four-member household remained almost unchanged when compared to the 2004-level.
- 25. <u>DDSW(A)</u> explained that the CSSA standard payment rates were reviewed annually in accordance with the 12-month moving average of SSAIP. The CSSA standard payment rates had been adjusted downwards in the light of the

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persistent drop in SSAIP during the deflationary period. Inflation resumed from 2005 and so did the upward adjustment of CSSA standard payment rates. This explained why the current average monthly CSSA payments of a four-member household was more or less the same as the 2004-level. At the request of Mr Ronny TONG and the Chairman, DDSW(A) agreed to provide information on the inflation/deflation rates and the corresponding annual adjustments to the average monthly CSSA payments for different household sizes in the past few years after the meeting.

- Mr CHEUNG Kwok-che welcomed the Administration's plan to conduct 26. the next round of HES on CSSA households in 2009-2010. He stressed that the principle of providing welfare assistance was not merely meeting the recipients' basic needs, but to allow the recipients to lead a dignified life. Mr CHEUNG shared the view that the lack of access to the Internet by CSSA children would impede their learning; and some CSSA families were using old, donated computers and had to meet the internet charges within the CSSA standard payment rates. In the circumstances, he appealed to the Administration to take this into account when analyzing the findings of the HES on CSSA households. Mr CHEUNG asked about the concrete timetable for conducting and scope of the next round of HES on CSSA households. He also sought clarification on whether the survey would study the viability of providing a time-limit CSSA to unemployed able-bodied recipients and the introduction of new types of special Mr CHEUNG added that to better understand the needs of CSSA households, the Administration should solicit the views of all stakeholders including the relevant bureaux and departments when conducting the survey, and encourage public engagement in the discussion.
- 27. <u>SLW</u> responded that as explained earlier, the HES on CSSA households sought to update the relative weighting of items of goods and services covered by SSAIP. He, however, would not rule out the possibility of conducting a review on CSSA at a later time. The Administration would continue to listen to the views from different sectors. <u>DSW</u> added that the preparation for the next HES on CSSA households had started; the survey would commence in 2009-2010 and was expected to be completed in 2010-2011.
- 28. Mr CHEUNG Kwok-che considered it unacceptable to take more than two years to complete the survey. SLW said that the Administration would see if the conduct of the next round of HES on CSSA households could be further advanced.
- 29. <u>Ms LI Fung-ying</u> expressed support for the funding proposals to increase the rates of CSSA standard payments, DA and OAA. She hoped that the revised rates would take effect as soon as practicable. Given that the former Subcommittee on the Review of the CSSA Scheme had held lengthy discussion on issues relating to the adequacy and level of CSSA payments and put forth a

number of recommendations for the Administration's consideration in the last term, <u>Ms LI</u> took the view that the Administration should consult the Panel on the scope of the next round of HES on CSSA households before embarking on the survey, especially the meaning of basic needs and essential items. Otherwise, the Panel should initiate the discussion with the Administration in early 2009, i.e. prior to the conduct of the survey.

- 30. <u>SLW</u> reiterated that as he had pointed out earlier, the next round of HES on CSSA households was not a comprehensive review of CSSA, but to update the latest expenditure patterns of CSSA households and the weighting of SSAIP. He stressed that there was no change in the policy on CSSA. <u>SLW</u> said that the Administration would keep the Panel abreast of the progress of the survey.
- 31. Mr LEUNG Kwok-hung expressed concern that some CSSA households had cut down their expenses on food items in order to meet the specific needs of their children, such as the Internet charges and costs of spectacles. He strongly urged the Administration to conduct a comprehensive study on the CSSA Scheme, and the financial implications of providing long-term supplement and special grants to all CSSA recipients to meet their varied needs.
- 32. <u>Mr Alan LEONG</u> took the view that as the CSSA payments were adjusted based on the 12-month moving average of SSAIP, this would inevitably delay in making timely adjustments to the CSSA standard payment rates. He asked whether the Administration would review the adjustment mechanism.
- 33. <u>SLW</u> responded that it was not appropriate to revert to the inflation forecast methodology for adjusting CSSA payments, having regard to the observations and recommendations made by the Director of Audit in his Report No. 32 published in 1999. Moreover, it would be difficult for the CSSA recipients to adjust to a significant downward adjustment of rates to make up for the over-estimation in calculating the adjustment in the previous year. <u>SLW</u> advised that to ease the inflationary impact on CSSA households, the Administration had provided two additional months of CSSA standard rate payments and adjusted the CSSA rates ahead of the normal cycle in 2008. The Administration would continue to monitor the situation and make upward adjustments to the CSSA standard payment rates ahead of normal cycle if so warranted.
- 34. Pointing out that the Hong Kong Council of Social Service (HKCSS) had conducted a basic need study of CSSA households, <u>Mr Alan LEONG</u> asked whether the Administration would adopt a basic need approach similar to that of HKCSS in conducting the next round of HES on CSSA households. <u>SLW</u> stressed that the Administration would listen to and take into account views from different sectors.

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- 35. At the Chairman's request, <u>SLW</u> said that the Administration would provide the Panel with information on the work plan for and the scope of the next round of HES on CSSA households in due course. <u>The Chairman</u> added that a special meeting of the Panel would be convened to discuss the matter, if necessary.
- 36. Mr Albert HO expressed grave concern about the financial difficulties faced by new-arrival single parents who did not meet the seven-year residence requirement under the CSSA Scheme and had to rely on their children's CSSA for a living. He urged the Administration to relax the residence requirement for CSSA. Mr HO added that the Administration should relax the policy of requiring elderly CSSA applicants to apply for CSSA on a household basis. Consideration should be given to allowing needy elders to apply for CSSA on their own by making a self-declaration on non-provision of financial support by their family members.
- 37. <u>SLW</u> explained that the adoption of the seven-year residence requirement for CSSA was in line with the recommendations of the Task Force on Population Policy in 2003. He said that CSSA applicants who lived with their families were required to apply on a household basis since families constituted the core units of the community. This would also encourage family members to support each other and to prevent the avoidance of the duty of care by resorting to CSSA.
- 38. <u>DSW</u> supplemented that CSSA might be granted at the discretion of DSW to an applicant who could not meet the residence requirements in the light of the individual circumstances in each case. <u>DSW</u> said that since the introduction of the seven-year residence requirement in 2004, DSW had granted discretion to waive the requirement to several thousands of CSSA applicants.
- 39. Instead of updating the weighting of SSAIP, Mr CHEUNG Kwok-che strongly urged the Administration to conduct a comprehensive review of the CSSA rates expeditiously.
- 40. Mr WONG Kwok-hing said that special grants for travelling expenses for CSSA students were calculated on the actual expenses by the cheapest means of available transport, usually non-air-conditioned buses. In his view, the Administration should review the basis for determining the level of special grants in the light of increasing transport costs and food expenses in the next HES on CSSA households.
- 41. <u>SLW</u> reiterated that the Administration would revert to the Panel on the progress of the round of next HES on CSSA households to be conducted in 2009-2010.

42. In closing, the Chairman said that members supported the Administration's proposal to increase the CSSA standard payment rates, and the rates of DA and OAA.

### V. Short-term food assistance

[LC Paper Nos. CB(2)190/08-09(05) to (07), CB(2)227/08-09(01) and CB(2)255/08-09(01) to (02)]

- 43. <u>The Chairman</u> said that in addition to the two submissions issued to members earlier, two submissions were tabled at the meeting.
- 44. <u>SLW</u> said that CE had announced in July 2008 that \$100 million would be earmarked for SWD to work with NGOs to provide additional food assistance. He said that pending consultation with the stakeholders on the implementation details of the food assistance initiative, SWD had allocated through redeployment of internal resources of \$1.2 million to enhance short-term food assistance currently provided by two NGOs. <u>SLW</u> said that having considered the views solicited, the Administration proposed to set up a total of five service projects over the territory to provide short-term food assistance to individuals and families in need, as detailed in its paper. It was envisaged that a minimum of 50 000 persons would benefit from the proposal. He added that the Administration planned to submit the funding proposal to FC for consideration at its meeting in December 2008.
- 45. Mr WONG Kwok-hing welcomed the proposal to provide short-term food assistance to individuals and families in need. Referring to paragraph 5(i) of the Administration's paper, Mr WONG expressed concern that the areas served by each project were too extensive such that the location of food centres might not be easily accessible to some service users. Mr LEUNG Yiu-chung and the Chairman raised a similar concern. They were worried that service users living in the remote areas, such as outlying islands, might have to incur considerable transport costs to receive food assistance.
- 46. <u>SLW</u> responded that Tsuen Wan, Kwai Tsing, Hong Kong Island and other Islands (including Tung Chung) were grouped under one project area because the estimated number of service users from Hong Kong Island would be comparatively small.
- 47. <u>DSW</u> added that the operating NGOs would establish partnership and district networks for food distribution in the respective project areas served. He envisaged that service users would not have to commute long distance to receive food assistance. <u>SLW</u> added that provisions would be allocated to the operating NGOs for meeting the operational expenses of the service projects, including making arrangement for food delivery.

- 48. <u>Ms LI Fung-ying</u> supported in principle the Administration's proposal to provide short-term food assistance to individuals and families in need. Pointing out that some needy elders were not receiving CSSA for various reasons and had to rely on the meagre amount of OAA or DA for a living, she considered that the scope of service should be extended to OAA and DA recipients.
- 49. Mr Ronny TONG said that the target service users of the projects should not be limited to those needy individuals as set out in paragraph 6 (i) to (iv) of the Administration's paper. In his view, OAA recipients and those who earned less than \$10,000 a month but were not living in rented rooms/bedspace/roof-top accommodation in private tenement buildings should also be included as target service users.
- 50. While supporting the proposal to provide short-term food assistance to individuals and families in need, Mr LEE Cheuk-yan said that it was the Administration's responsibility to come up with long-term measures to address the financial difficulties encountered by the low-income group. Referring to the one-off injection of \$6,000 into the Mandatory Provident Fund (MPF) accounts of those who earned not more than \$10,000 a month, Mr LEE took the view that eligible employees should be allowed to withdraw the money from their accounts at any time to meet their specific needs. In his view, it would be more effective for the Administration to provide direct cash subsidy to those individuals and families who had not benefited from the Government's relief measures.
- 51. Mr LEE Cheuk-yan asked whether new-arrival single parents who had to rely on their children's CSSA for a living were eligible for the proposed food assistance. He also enquired whether those who had not benefited from the Government's relief measures were eligible for the service even if they did not have proven difficulties in coping with daily food expenditure.
- 52. Responding to members, <u>SLW</u> said that target service users could broadly be categorized into two groups. The first group were individuals and families who had proven difficulties in coping with daily food expenditure, such as unemployed, low-income workers, new arrivals, street sleepers, and individuals or families encountering sudden changes and facing immediate financial hardship. The second group included those who had not benefited from the Government's relief measures announced earlier this year. Paragraph 6 (i) to (iv) of the Administration's paper highlighted some examples of the latter group of target service users, and were by no means exhaustive. <u>SLW</u> further said that the operating NGOs would, in collaboration with the Government and other district organisations, proactively get in touch with needy individuals who had not benefited from the Government's relief measures, and publicise the food assistance initiative among this group, especially tenants of bedspace apartments, cubicle apartments and rooftop structures.

- 53. <u>DSW</u> added that the underpinning philosophy of the proposal was that no one should be deprived of food because of lack of means. He said that there were NGOs and local organisations in the community providing temporary food assistance to individuals and families in need. The Administration's proposal aimed to offer additional food assistance. <u>DSW</u> explained that under the proposed projects, service users would receive food assistance for a maximum of six weeks. Provision of further assistance after six weeks might be considered subject to the review of individual case merits. If individual service users had long-term welfare needs and would require service other than food assistance, the operating NGOs would refer them to other service units for appropriate welfare service.
- 54. The Chairman referred to paragraph 6(ii) of the Administration's paper and sought clarification about the meaning of "do not have separate electricity accounts under their own names". As domestic electricity accounts were registered under an individual's own name, he wondered if other family members were eligible for the service on the ground of not having separate electricity accounts under their own names. <u>SLW</u> clarified that this requirement would be applied to the whole family living under the same household. He added that, in general, family members living together would receive food assistance on a family basis.
- 55. The Chairman asked whether needy individuals living in squatter areas were eligible for the proposed short-term food assistance. <u>DSW</u> explained that food assistance would be provided to any individuals and families who had proven difficulties in coping with food expenditure, irrespective of their housing types.
- 56. The Chairman and Mr CHEUNG Kwok-che said that the Administration should spell out clearly the eligibility criteria for the proposed service projects. <u>SLW</u> said that the eligibility criteria for the projects would be explained clearly to the operating NGOs concerned.
- 57. Mr WONG Kwok-hing considered that to provide prompt assistance to target service users, the proposed service projects should be launched as early as possible. He enquired about the concrete timetable for implementing the service projects and the duration of the projects.
- 58. <u>SLW</u> advised that while the preparatory work was underway, the service projects would probably be launched after the Chinese New Year as the Administration would have to invite proposals from potential operating NGOs. <u>SLW</u> said that depending on the actual number of service users and duration of food assistance received by individual users, the projects were expected to last for two to three years. The Administration would bid for additional resources

for the projects if so required. It would review the implementation of the projects taking into account the operational experience.

- 59. Mr LEUNG Yiu-chung expressed dissatisfaction at the lack of concrete support measures for needy individuals who had not benefited from the relief measures announced by the Government earlier this year. He considered that when compared with the relief measures such as the one-off injection of \$6,000 into the MPF accounts of the eligible employees and \$1,800 electricity charge subsidy, the provision of short-term food assistance was too meagre to address the financial difficulties faced by needy individuals who had not benefited from the Government's relief measures.
- 60. <u>SLW</u> responded that the Administration fully understood the pressure caused by inflation on the low-income groups. It would continue its efforts to assist the low-income group, in particular needy persons who had not benefited from the Government's relief measures. The short-term food assistance would provide immediate and direct food assistance to individuals and families in need.
- 61. Noting that each service user would receive food assistance amounted to about \$1,200 for six weeks, i.e. about \$28.5 a day, Mr CHEUNG Kwok-che queried the basis for cost computation. In his view, the level of food assistance was inadequate to meet the basic needs of service users. To provide prompt assistance to needy individuals and families, Mr CHEUNG urged the Administration to submit the funding proposal to FC for consideration as soon as practicable. He asked whether funding would be provided to the operating NGOs concerned to meet the administration costs. Mr TAM Yiu-chung also expressed concern about the administration costs of the service projects.
- 62. <u>SLW</u> responded that out of the total amount of \$100 million, \$60 million would be allocated to meet the operational expenses of the service projects, including expenses for food and administration. The administration costs would not exceed 15% of the operational expenses allocated. Besides, if required by individual operating NGOs, a maximum of \$2.5 million for each project would be provided for the one-off set up cost to cover expenses for fitting out of premises, purchase of food storage and processing equipment, transportation arrangement for food collection and delivery and so on.
- 63. While welcoming the proposal to provide short-term food assistance to those in need, Mr TAM Yiu-chung noted with concern that the provision of food assistance was mainly in the form of dry rations which would be less nutritious to the health of service users. Mr CHEUNG Kwok-che expressed similar concerns. Mr CHEUNG asked under what circumstances would food coupons be issued to meet the special needs of individual service users.

- 64. <u>SLW</u> responded that the provision of food assistance was mainly in the form of dry rations. However, to meet the direct and special needs of the service users, appropriate fresh/frozen food, hot meals, hot meal coupons, baby food, baby formula, etc. might be provided to service users as part of the six-week food assistance.
- 65. Mr LEUNG Kwok-hung considered that the proposal of providing food assistance to individuals and families in need represented a major retrograde step towards the overall direction of providing the CSSA safety net to those who could not support themselves financially to meet their basic needs. He said that Members belonging to the League of Social Democrats considered it more effective for the Administration to provide direct cash subsidy to the needy individuals who had not benefited from the Government's relief measures.
- 66. <u>SLW</u> stressed that the CSSA Scheme had been providing an effective safety net to meet the basic needs of those who could not support themselves financially. The proposed service projects aimed to provide food assistance to individuals and families in need, and those who had not benefited from the relief measures announced by the Government earlier this year. <u>SLW</u> said that the Administration had no plan to provide direct cash subsidy to those who had not benefited from the Government's relief measures.
- 67. Mr WONG Sing-chi said that Members belonging to the Democratic Party supported the provision of short-term food assistance as an interim measure to help the low-income group. He took the view that the Administration should come up with a long-term solution to the financial problems encountered by the low-income group. Mr WONG further said that the operating NGOs should not be expected to provide follow-up service for users identified to have long-term welfare needs having regard to the fact that frontline NGO staff were working under tremendous pressure.
- 68. <u>SLW</u> advised that if individual service users were identified to have long-term welfare needs and require welfare service other than short-term food assistance, the operating NGOs would refer them to other service units of SWD for appropriate welfare services.
- 69. In closing, <u>the Chairman</u> said that members generally expressed support for the Administration's funding proposal to provide short-term food assistance to individuals and families in need.

## VI. Any other business

70. There being no other business, the meeting ended at 12:44 pm.

Council Business Division 2 <u>Legislative Council Secretariat</u> 10 December 2008