

立法會
Legislative Council

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Finance Committee of the Legislative Council

**Minutes of the 15th meeting
held at the Legislative Council Chamber
on Friday, 6 May 2011, at 3:00 pm**

Members present:

Hon Emily LAU Wai-hing, JP (Chairman)
Prof Hon Patrick LAU Sau-shing, 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
Dr Hon David LI Kwok-po, GBM, GBS, JP
Hon Fred LI Wah-ming, SBS, JP
Hon James TO Kun-sun
Hon CHEUNG Man-kwong
Hon CHAN Kam-lam, SBS, JP
Hon Mrs Sophie LEUNG LAU Yau-fun, GBS, JP
Hon LEUNG Yiu-chung
Dr Hon Philip WONG Yu-hong, GBS
Hon LAU Kong-wah, JP
Hon LAU Wong-fat, GBM, GBS, JP
Hon Miriam LAU Kin-yea, GBS, JP
Hon Andrew CHENG Kar-foo
Hon TAM Yiu-chung, GBS, JP
Hon Abraham SHEK Lai-him, SBS, JP
Hon LI Fung-ying, SBS, JP
Hon Frederick FUNG Kin-kee, SBS, JP
Hon Audrey EU Yuet-mee, SC, JP
Hon Vincent FANG Kang, SBS, JP
Hon WONG Kwok-hing, MH
Hon LEE Wing-tat

Dr Hon Joseph LEE Kok-long, SBS, JP
Hon Jeffrey LAM Kin-fung, SBS, JP
Hon Andrew LEUNG Kwan-yuen, GBS, JP
Hon CHEUNG Hok-ming, GBS, JP
Hon WONG Ting-kwong, BBS, JP
Hon Ronny TONG Ka-wah, SC
Hon CHIM Pui-chung
Hon KAM Nai-wai, MH
Hon Cyd HO Sau-lan
Hon Starry LEE Wai-king, JP
Hon Paul CHAN Mo-po, MH, JP
Hon CHAN Kin-por, JP
Dr Hon Priscilla LEUNG Mei-fun
Dr Hon LEUNG Ka-lau
Hon CHEUNG Kwok-che
Hon WONG Sing-chi
Hon WONG Kwok-kin, BBS
Hon IP Wai-ming, MH
Hon IP Kwok-him, GBS, JP
Hon Mrs Regina IP LAU Suk-ye, GBS, JP
Dr Hon PAN Pey-chyou
Hon Paul TSE Wai-chun
Dr Hon Samson TAM Wai-ho, JP
Hon Alan LEONG Kah-kit, SC
Hon LEUNG Kwok-hung
Hon Tanya CHAN
Hon Albert CHAN Wai-yip
Hon WONG Yuk-man

Members absent:

Dr Hon Margaret NG
Hon WONG Yung-kan, SBS, JP
Hon Timothy FOK Tsun-ting, GBS, JP
Hon Tommy CHEUNG Yu-yan, SBS, JP
Dr Hon LAM Tai-fai, BBS, JP
Hon CHAN Hak-kan

Public officers attending:

Ms Julia LEUNG Fung-ye, JP	Acting Secretary for Financial Services and the Treasury
Mr Stanley YING, JP	Permanent Secretary for Financial Services and the Treasury (Treasury)
Ms Alice LAU, JP	Deputy Secretary for Financial Services and the Treasury (Treasury)1
Ms Elsie YUEN	Principal Executive Officer (General), Financial Services and the Treasury Bureau (The Treasury Branch)
Mr TSANG Tak-sing, GBS, JP	Secretary for Home Affairs
Mr Raymond YOUNG Lap-moon, JP	Permanent Secretary for Home Affairs
Ms Candy LAU Li-yan	Principal Assistant Secretary for Home Affairs (Community Care Fund)
Dr LAW Chi-kwong, SBS, JP	Chairman of Executive Committee on the Community Care Fund
Ms Esther LEUNG Yuet-yin, JP	Deputy Secretary for Education (6)
Mrs Anna MAK CHOW Suk-har	Assistant Director of Social Welfare (Family and Child Welfare)

Clerk in attendance:

Mrs Constance LI	Assistant Secretary General 1
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Staff in attendance:

Ms Annette LAM	Chief Council Secretary (1)7
Mr Daniel SIN	Senior Council Secretary (1)7
Mr Frankie WOO	Senior Legislative Assistant (1)3
Ms Christy YAU	Legislative Assistant (1)8

Item No. 1 - FCR(2011-12)7

**RECOMMENDATION OF THE ESTABLISHMENT
SUBCOMMITTEE MADE ON 16 FEBRUARY 2011**

The Chairman put the item to vote. The Committee approved the funding proposal.

Item No. 2 - FCR(2011-12)8

**HEAD 53 – GOVERNMENT SECRETARIAT :
HOME AFFAIRS BUREAU
Subhead 700 General non-recurrent
New Item "Injection into the Community Care Fund"**

**HEAD 156 – GOVERNMENT SECRETARIAT : EDUCATION
BUREAU
Subhead 003 Recoverable salaries and allowances (General)**

**HEAD 170 – SOCIAL WELFARE DEPARTMENT
Subhead 003 Recoverable salaries and allowances (General)**

2. The Chairman advised that the item sought Finance Committee (FC)'s approval for an injection of \$5 billion into the Community Care Fund (CCF) and the expansion of ambit of Subhead 003 under Heads 156 and 170 to enable the recovery of salaries and allowances in respect of dedicated civil service posts involved in taking forward initiatives and programmes of the Fund.

3. The Chairman said that the Chief Secretary for Administration (CS) had released an article on the subject to the press, a copy of which was tabled for members' reference.

4. Secretary for Home Affairs (SHA) appealed to members' support for the funding proposal. He said that the Chief Executive (CE) announced in the 2010 Policy Address the setting up of CCF, representing a tripartite collaboration of the Government, community and business sector in helping the disadvantaged. Since then, the CCF Steering Committee, its Executive Committee and four Subcommittees had been set up to support the operation of CCF. The Steering Committee had endorsed the first batch of ten programmes for implementation in 2011-12, which were expected to incur a full-year expenditure of \$730 million and benefit more than 300 000 persons. The Steering Committee had also reserved \$170 million for implementing three other programmes, subject to the consideration of the concrete proposals. In

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drawing up the assistance programmes, the CCF Committees had consulted widely the views of various sectors and gone through several rounds of discussion, and they would continue to examine the feasibility of other programmes in the light of other views and actual experience gained.

5. SHA said that CCF was not a matching fund, and he hoped Members would support the proposed injection to CCF regardless of the amount of the donations. He added that the amount of donations pledged so far was \$1.8 billion, some of which would be made by installments over three years. So far, the amount of donation received was \$680 million.

6. SHA said that subject to FC's approval of the funding injection, some programmes would be implemented as early as this summer. Government departments and organizations entrusted to implement the projects would submit periodic progress and financial reports to the relevant Subcommittee under CCF for review. The Steering Committee had also endorsed to commission an independent consultant to advise on the evaluation of individual programmes. The dedicated administrative costs incurred by government departments for implementing the CCF initiative would be recovered from CCF.

7. Mr IP Kwok-him, Chairman of the Panel on Home Affairs, reported that the funding proposal was discussed at the Panel meeting on 14 January 2011. While panel members had no objection to the proposal in general, they expressed concern that the programmes to be funded by CCF involved different policy areas and additional staff would be required for their implementation. Panel members requested the Administration to co-ordinate the provision of staffing resources to avoid overlapping responsibilities.

Objectives and financing of the Community Care Fund

8. Ms Miriam LAU said that the Liberal Party (LP) had earlier proposed to establish a fund to help disadvantaged groups including the working poor and patients with chronic illness. She hoped that CCF could provide appropriate assistance to the needy. However, the Administration's proposal seemed to have deviated from the objective of CCF as announced in CE's Policy Address. Noting that the Administration was appealing to the business sector to contribute \$5 billion in donation against the same amount of injection the Administration proposed to make, she sought clarification as to whether CCF would operate as a matching fund. She said that Members belonging to LP would not object to the funding proposal as the programmes would actually help the people in need.

9. SHA said that CCF was set up and operated according to the principles and spirit laid down in the Policy Address, with the primary mission

of helping those who were currently outside the social security safety net. As mentioned in the Policy Address, it was the intention that the Administration and the business sector would each separately contribute \$5 billion into the fund.

10. Mr CHEUNG Kwok-che declared that he was a member of the CCF Steering Committee but he was now expressing views as a FC member. He commented that CCF as announced by CE was purported to be a matching fund, but the Administration now sought approval for an injection into CCF without having received a similar amount of donation. Although he did not want to vote against the proposal as many people would benefit from the endorsed programmes, he had received feedbacks that CCF should also assist those people who were severely handicapped or in need of medications that were not included in the Hospital Authority's Drug Formulary. CCF should also provide assistance to tenants of private tenement buildings who were on the waiting list for public housing allocation. He hoped the Administration would undertake to provide assistance to these people in need.

11. Mr IP Wai-ming considered CCF a matching fund as CE's Policy Address described it as a collaborative effort of the Government and the business sector to support the disadvantaged groups in the community by each contributing \$5 billion. He was disappointed with the progress in raising donations, and urged the Administration to step up efforts in this regard. Miss Tanya CHAN said that many members of the public were dissatisfied that taxpayers had to contribute the \$5 billion while the private sector had not made an equal commitment.

12. SHA explained that the mode of CCF was different from a matching fund whereby the Administration would contribute an equivalent amount matching the donations received from the private sector. For CCF, the Administration and the business sector would provide contributions separately.

13. Mrs Regina IP criticized that the Administration tried to deny that CCF was a matching fund only to cover up its failure to raise the targeted level of private donation. She asked the Administration to provide the list of individual and corporate donors who had already made or had pledged to give donation to CCF. She further said that the Administration should explain why it failed to raise the target of donation, and the reasons given by the donors for not meeting the donation pledges. As regards the ten endorsed programmes to be financed by CCF, Mrs IP said that many of the targeted beneficiaries were already inside the safety net. She had also received feedback from many middle-class people that CCF was divisive.

14. SHA said that more than 20 individuals and corporations had already donated or pledged donations to CCF. The list of donors would be made public at an appropriate juncture and donors had to agree with such disclosure. SHA added that the Administration did not plan to secure all of the \$5 billion donation in one go.

15. Mrs Regina IP said if there was no need to raise the \$5 billion private donation in one go, then there was no need for FC to approve the funding injection in one injection. She considered that FC could be requested to consider the funding applications on a project-by-project basis. Ms Miriam LAU also considered that the Administration could seek a partial injection to match the amount of donations the Administration had collected, so that the Administration would continue to engage in consultation on future programmes. Mr James TO said that as the business sector had only contributed \$600 million to CCF and had pledged another \$1.2 billion, the Administration should consider injection into CCF by phases taking into consideration the performance of CCF. If the programmes proved to be effective, the business sector would have more confidence in contributing towards CCF. Ms Audrey EU also asked if injection to CCF could be made on a programme-by-programme basis.

16. Permanent Secretary for Home Affairs (PSHA) said that it was the Administration's intention to seek a one-off \$5 billion injection into CCF, so that the CCF Committees would have more flexibility in drawing up and implementing the assistance programmes. If the programmes were proved to be effective and considered suitable for incorporation into the Government's regular services, the relevant funding would have to be endorsed by the Legislative Council (LegCo) in due course.

17. Ms Cyd HO said that she did not support the funding proposal. She queried the need for setting up a CCF as poverty alleviation was the responsibility of the Government. She suggested that the Administration should abandon the idea of matching private donations with public fund in CCF, and should instead seek funding support from FC for individual programmes endorsed for implementation by the CCF Steering Committee. Such programmes, if found effective, could be incorporated into the government regular services later on. She commented that the 10 endorsed programmes could in fact be carried out by the Government under existing policies, and the Government had been hypocritical in introducing a caring fund purportedly to help the disadvantaged when their plights were a result of the Administration's dysfunction governance and unjust favouritism towards large corporations. She criticized that CCF illustrated the Administration's lack of commitment to take care of the vulnerable groups. She was concerned that with the setting up

of CCF, the Administration might shift its responsibility to the CCF in providing further support to the needy.

18. Mr Ronny TONG commented that as CCF was a key poverty alleviation measure in CE's Policy Address, it should be more appropriate for CE or CS to answer questions relating to CCF at this meeting. He considered that poverty alleviation was primarily the Administration's responsibility, and it should not defer such responsibility to the business sector. He further said that the community would expect that, in submitting the funding proposal to FC, the Administration would have already received the pledged amount of donation. However, it turned out that the amount of private donations received was far below the target of \$5 billion. He asked if the Administration would consider withdrawing the proposal.

19. Mr LEE Cheuk-yan said that he supported the notion of promoting community care but did not support the setting up of CCF. He considered that the endorsed programmes (even on a pilot basis) should be financed by public fund through the established budgetary process, and it was not the Government's function to raise donations from the private sector to assist people in need. If the Government considered that the private sector should contribute more to promoting community welfare, it should raise tax from the business organization instead. He was concerned that the Government's solicitation of private donations for public service might give rise to speculation that the donor organizations would be rewarded with favourable treatment from the Government at the expense of public interest. This might also run the risk of stifling the funding sources of other charitable organizations (such as the Community Chest) as they would likely receive fewer donations after these donors had contributed to CCF.

20. Mr WONG Yuk-man objected to the funding proposal. He said that the Government had the primary responsibility and the resources to implement the poverty alleviation measures, and there was no need for it to solicit private donations. He commented that the Administration should take steps to rectify the deficiencies of the existing social security safety net rather than implement piecemeal programmes under CCF. Mr LEUNG Kwok-hung shared a similar view and said that the Administration could levy tax to finance those programmes if necessary.

21. SHA responded that while supporting the poor and the needy was the Administration's responsibility, it would be useful to harness the caring spirit in the community and foster cross-sector collaboration to help those who were outside the safety net in an innovative manner. SHA added that the amount of donation received so far was sizeable in particular when FC had not approved the funding injection. Many donors would be prepared to contribute to CCF

after FC had approved the injection of public funds into CCF. He said that the Administration would continue to solicit donations as planned.

22. Mr TAM Yiu-chung declared that he was a member of the CCF Steering Committee. He said that Members belonging to the Democratic Alliance for the Betterment and Progress of Hong Kong supported the funding proposal. He considered it appropriate to encourage people with financial ability to contribute to the programmes to assist the needy. He added that the CCF Steering Committee and its subcommittees could consider the various suggestions on improving the programmes to be supported under CCF.

23. Mr LEUNG Yiu-chung commented that Hong Kong needed a caring government rather than a caring fund. The proposed programmes could only provide one-off or short term relief without addressing the recipients' long term problems. He considered it necessary to have an overall review of the social welfare and social security policies, and to build in a caring element in the system to address the needs of the disadvantaged groups. He shared the concern expressed by some other members that by soliciting donations from the business sector, it would give rise to the public perception that Government policies would slant towards the business sector. It would also weaken the role of the Government in the redistribution of wealth in the community.

24. Mr Albert CHAN said that Members belonging to the People's Power would not support the funding proposal as the current CCF had deviated from the original intention of poverty alleviation as announced in CE's Policy Address. Mr CHAN said that he had advocated the setting up of a \$20 billion fund to improve people's livelihood but the Administration was not receptive to this suggestion. He considered that the Administration should address the deficiencies of the existing social welfare and social security systems and come up with improvement measures rather than creating a CCF. He further said that the Administration should maintain separate accounts for the public fund injection and private donations, with the public fund portion focusing on poverty alleviation and supporting people in disadvantaged position. The private donation could be spent on other initiatives such as the school-based fund on overseas learning activities, but the Administration must be accountable to LegCo on the use of the part of CCF injected from public fund.

25. Mr Abraham SHEK expressed support for the funding proposal. He said that the idea of setting up CCF in fact came from CE and not CS. He further commented that poverty alleviation was the responsibility of the Government rather than the business sector. He said that corporations were in a difficult position in responding to the appeal for contribution to CCF for concern about possible allegation of "transfer of benefits" between Government and the business sector. He also queried the Government's approach of

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spreading the endorsed programmes over a number of years instead of providing prompt relief to all target beneficiaries as soon as possible.

26. Mr James TO said that the business sector might feel obliged to respond positively to the Government's appeal for donations to CCF simply because they were wary of its power over many policy and regulatory matters. Some businessmen were frustrated that their goodwill in contributing to the CCF was perceived by some in the community as an act of collusion with the Government for private gains. This would defeat the purpose of setting up CCF in creating harmony in society through cross-sector collaboration on poverty alleviation. He suggested that FC could consider approving an injection of \$1.8 billion as a first step to match the amount of private donation already received.

27. Mr Ronny TONG asked how the CCF Executive Committee assessed the impact on CCF work if private donations could not reach the target amount. Chairman, CCF Executive Committee replied that \$730 million referred to a full-year estimated expenditure which might not be used up in the end. If FC approved the proposed injection into CCF, there would be sufficient resources to meet the cashflow requirements for the first year of operation. Based on the initial estimate of the return on investment in the coming year or so, there should not be any difficulties in meeting the costs for implementing the programmes.

28. Mr WONG Kwok-hing said that Members belonging to the Federation of Trade Unions (FTU) supported the funding proposal as CCF would help grassroots community not covered by the Comprehensive Social Security Assistance (CSSA). He asked whether the programmes of CCF would be operated on an on-going basis. SHA responded that the operation of the CCF programmes would be reviewed, before considering whether the programmes should be funded on a long-term basis.

29. Mr IP Wai-ming asked about the criteria the CCF Steering Committee adopted in selecting programmes for implementation under CCF, and the evaluation of the effectiveness of these programmes. He suggested that successful pilot programmes should be integrated into regular government services so that CCF resources could be channelled to other programmes. SHA responded that CCF Steering Committee had selected to launch early those programmes on a pilot basis that would help people in need outside the existing safety net and complement the existing range of services. They were also less complex and more easily implementable within a short period of time to assist those in need as soon as possible, involving lower administrative costs. PSHA added that the Steering Committee would also commission an independent consultant to advise on the evaluation of individual programmes including the

performance indicators to be adopted and the data to be collected.

30. Mr CHEUNG Man-kwong said that the CCF was originally intended to be a poverty alleviation measure to complement the current social security safety net. He held the view that the CCF programmes should focus on helping people with financial needs to meet expenses on daily necessities. For example, the \$166 million earmarked for the school-based fund should be provided for expanding the food bank programme. He asked whether the Administration would amend the proposal.

31. Mr WONG Yuk-man expressed disappointment with the scopes of the ten endorsed programmes as they did not address the immediate needs of the disadvantaged groups. For example, those severely disabled persons aged below 60 but not on CSSA would only be eligible for \$2,000 a month in relief, as compared to the proposed \$3,000 subsidy for overseas study tour. Mr WONG commented that the welfare sector representatives in the CCF Steering Committee or its various subcommittees should have tendered better advice on the endorsed programmes.

32. SHA said that different people might have different views on the roles of CCF and the programmes to be launched. The endorsed programmes had been thoroughly discussed at the Steering Committee, Executive Committee and respective subcommittees, and were adopted for implementation having considered the comments and suggestions from the community. Members of the LegCo were also present at some of these forums.

33. Mr LEE Wing-tat said that there was a lack of public consultation and open debate in the community before the programmes were selected for implementation under CCF. He suggested that the Administration should conduct wider consultation at an early stage to reduce differences. He noted that the Administration intended to encourage the business sector to participate in poverty alleviation initiatives but the amount of donation was much lower than the expected target. Nevertheless, the \$1.8 billion donation could still provide new money for implementing pilot services. If the Administration could gradually integrate the pilot programmes funded from CCF, he would consider the funding proposal worthy of support.

34. SHA responded that CCF was intended to be used for implementing pilot programmes. If the programmes were demonstrated to be effective, they would be considered for incorporation into regular government services. SHA also took note of Mr LEE's comments about early consultation on the proposed programmes to be funded under CCF.

35. Mr WONG Sing-chi echoed the view that there should be more public discussion and more publicity on the proposed programmes to be funded under CCF. He asked what mechanism the Administration would adopt for selecting CCF programmes for integration into regular government service. He further said that he had received feedbacks that CCF should provide subsidy for purchase of breathing machines to help patients with muscular dystrophy, and that such subsidy should be included in the government regular services.

36. SHA said that he would relay members' views and suggestions to the CCF Steering Committee for consideration. He added that the actual performance of an individual programme would be taken into account in determining whether it should be recommended to the Government for implementation on an on-going basis. He pointed out that relevant bureaux and departments were represented in the respective CCF Committees and there would be sufficient communication in the process.

37. Mr LEE Cheuk-yan suggested that CCF should offer housing subsidies to help those also were not receiving any benefits from the existing welfare system, such as tenants of private tenement buildings awaiting allocation of public housing. He further suggested that assistance should be provided for patients with severe disabilities or single parents who relied on their children's CSSA payment for subsistence. SHA responded that the respective CCF subcommittee had received similar suggestions and would examine them carefully.

38. Chairman, CCF Executive Committee said that the Steering Committee had a long list of suggestions. The ten endorsed programmes and the three programmes under consideration as described in the paper were shortlisted as feasible items that could be readily implemented. The CCF Committees would continue to examine other proposed programmes including the provision of medical equipment or facilities to patients and the provision of assistance to those who did not benefit from any welfare assistance or relief measures introduced by the Government.

39. Mr WONG Kwok-hing noted that a total of \$897 million would be needed to implement ten programmes already endorsed by the Steering Committee and the other three programmes to be considered by the Executive Committee. As the Administration had only received a pledge of \$1.8 billion donation from the private sector, Mr WONG asked if the Administration had a timetable and other plans to meet the donation target within the short term. He also asked the estimated cost of each of the 13 programmes to be implemented and the number of beneficiaries expected.

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40. PSHA referred members to Annex II of the paper which outlined the estimated full-year budget of the ten programmes endorsed by the Steering Committee together with the estimated number of beneficiaries. It was estimated that more than 300 000 beneficiaries would be involved. As regards the donation from the private sector, PSHA said that some had indicated they would look upon the Administration to take the lead in committing funds on CCF and would examine the actual operation of CCF before making contributions. He expected that there would be a cumulative total of \$800 million private donation in the first year and the momentum of donation would pick up after FC approved the funding injection.

41. PSHA further pointed out that a deposit would be placed with the Hong Kong Monetary Authority (HKMA), and the amount of return was estimated to be around \$200 million by early next year, which should provide sufficient cash to meet the programme and related expenses.

42. Ms Audrey EU asked about the administrative fees for implementing the CCF programmes and the organizations involved. She also asked whether the timetable for implementation of various endorsed programmes was realistic.

43. PSHA said that the target was to limit the administrative cost to less than 5% of the disbursements of the programmes. While the existing network or mechanism would be utilised to disburse assistance to minimise administrative costs, some of the programmes would be implemented with the help of non-governmental organizations. The implementation schedule for individual programmes had been set out in Annex II of the paper.

44. Mr Jeffrey LAM declared that he was a member of the CCF Steering Committee. He said that Members belonging to the Economic Synergy supported the funding proposal. As many people in Hong Kong were still in dire financial need and were outside the social security safety net, CCF would be a useful source of support to cater for their needs. He further said that the Steering Committee had received a lot of suggestions, and there had been detailed deliberations at various levels before the list of ten programmes were endorsed for priority implementation. He added that the CCF Steering Committee would continue to listen to views, and he appealed to members to support the funding proposal.

45. Mrs Sophie LEUNG said that the introduction of CCF could raise community awareness on the problem of wealth gap in the community and stimulate ideas and discussion on ways to address the problem. She said that members should focus on what could be done to address the needs of the disadvantaged rather than the issue of which party was making more contribution to CCF.

46. Mr Ronny TONG and Miss Tanya CHAN commented that CS, as Chairman of the CCF Steering Committee, should attend the meeting to respond to members' queries and suggestions. Mr LEUNG Kwok-hung expressed doubts about CS's ability in managing CCF given his unimpressive records in the work of the Commission of Poverty, the Work Incentive Transport Subsidy, the West Kowloon District development and the formulation of population policy.

Transparency of the decision making process of CCF

47. Mr LEE Wing-tat expressed concern that, like many other funds set up by the administration, it was difficult for the public and LegCo to monitor how the money was spent. He suggested that the Administration should improve the transparency of CCF operation by providing frequent reports of CCF to LegCo or its panels regularly, say on quarterly basis. Mr WONG Sing-chi and Miss Tanya CHAN expressed a similar view. Miss CHAN suggested that the minutes of all the meetings should be made available on the CCF website for reference by the public. Mrs Regina IP commented that by setting up a fund, LegCo would forego its power to approve and allocate resources for individual programme. She doubted if LegCo should delegate the authority to a 20-odd-member steering committee to approve such allocations.

48. SHA advised that the audited statement of accounts of CCF would be tabled at LegCo, and information on CCF operations would be disseminated through its website. Members' request for regular reports on CCF operations would be conveyed to the Steering Committee for consideration.

49. Mr Alan LEONG said that the Civic Party had reservation on the funding proposal. He queried why the Administration did not follow the established funding mechanism for taking forward the endorsed programmes but resort to setting up CCF. Nonetheless, Mr LEONG said that as the Administration had taken the initiative to offer support for people in need, there was no reason not to allow the initiative to proceed. He further said that the operation of CCF lacked transparency and it was difficult for the public or LegCo to monitor its performance. He asked how the Administration intended to improve transparency and engage public participation in the decision making process.

50. SHA replied that the operation of CCF was highly transparent. The Steering Committee had considered and incorporated views from the community in its deliberations. Members of the Steering Committee, Executive Committee and various subcommittees were drawn from a wide cross section of the community. People from various sectors and district representatives had also been invited to attend focus group meetings to express their views in drawing up the assistance programmes.

School-based fund to subsidize primary and secondary school students from low-income families to participate in learning activities outside Hong Kong

51. Ms Miriam LAU commented that the overseas learning initiative recommended by the CCF Steering Committee seemed to have deviated from the poverty alleviation objective mentioned in CE's Policy Address. She queried why subsidizing students to participate in learning activities outside Hong Kong was regarded as a poverty alleviation programme.

52. SHA said that CCF programmes were targeted at assisting and supporting people not currently covered under the social security safety net. The proposed school-based fund was meant to help primary and secondary students from low-income families.

53. Mr CHEUNG Man-kwong said that he found it difficult to understand why the proposed school-based fund to help students from low-income families to participate in overseas learning activities could be considered a special need that merited preference over meal or stationary assistance for students. Mr CHEUNG said that he had received feedbacks from his constituents against the proposal. He suggested that the school-based fund programme should be taken out from the endorsed programmes or accorded a lower priority. Mr Alan LEONG also raised similar concerns. Mr LEUNG Yiu-chung commented that the needs of severely disabled patients should override those of the overseas learning activities in terms of priority.

54. Chairman, CCF Executive Committee explained that the \$3,000 subsidy represented the maximum a student from low-income families could receive under the CCF programme for an overseas learning trip. It would be up to individual schools to decide what outbound learning activities to organize, and whether to apply for the subsidy under the programme, having regard to the teaching requirements of the schools and learning needs of the students. He further explained that during discussion at CCF committees, the issue that students of different family background were not enjoying the same level and range of educational opportunities had been raised. The proposed school-based fund would help bridge the gap and tackle the problem of

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inter-generation poverty. He added that, at present, financial support was already provided to students from low-income families to participate in extracurricular activities, but the amount applicable to learning opportunities outside Hong Kong was quite small. CCF had no intention to add pressure to schools and teachers in organising more outbound learning tours. The proposed school-based fund would complement existing measures to support students from low-income families, and would at least enable such students to enjoy such educational opportunities.

55. Mr Ronny TONG asked whether the school-based fund activities would be shelved if funding was insufficient. SHA confirmed that CCF intended to proceed with implementing the programme.

56. Mr TAM Yiu-chung said the proposed school-based fund was useful as he had received feedbacks that many students from low-income families had genuine difficulties in meeting the expenses for participating in ordinary extra-curricular activities.

57. Mrs Regina IP expressed concern about possible abuses of the school-based fund, and that the travelling industries might not be able to absorb the demand for overseas learning activities. Mr James TO suggested that the eligible students should be allowed to decide whether to spend the money on learning activities or to buy learning tools like computers. Mr WONG Yuk-man said that the funds for overseas learning activities should be better spent on subsidies on textbooks and stationeries for students from low-income families.

58. The Chairman said that as there were still some members who wished to speak on the item, discussion and decision on the funding proposal would continue at the next meeting.

59. The meeting was adjourned at 5:15 pm.