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**Panel on Welfare Services** 

## Background brief prepared by the Legislative Council Secretariat for the meeting on 11 July 2011

### Work progress of the Task Force on Poverty

#### Purpose

This paper provides background information on the setting up of the Task Force on Poverty and its work in poverty alleviation, and gives a brief account of the past discussions of the Panel on Welfare Services ("the Panel") on the subject.

#### **Commission on Poverty**

2. The Chief Executive ("CE") announced in the Policy Address 2005 that a commission on poverty to be chaired by the Financial Secretary ("FS") would be established to alleviate poverty. The membership of the Commission on Poverty ("CoP") was announced on 27 January 2005. Besides the official members including FS, Head of the Central Policy Unit, four Principal Officials responsible for health and welfare, home affairs, employment and education, the membership of CoP also comprised Legislative Council Members, businessmen, representatives from non-governmental organisations, and academics. The terms of reference of CoP were –

- (a) to study and identify the needs of the poor;
- (b) to make policy recommendations to prevent and alleviate poverty and promote self-reliance; and

(c) to encourage community engagement, delineate responsibility between the Government, social welfare sector and community organisations, foster public-private partnerships and mobilise social capital in alleviating poverty.

3. CoP agreed to focus its work on four key areas, namely children/youth (preventing and tackling intergenerational poverty), working people (covering employment and welfare-to-work initiatives), the elderly (provision and delivery of various services) and the community (district-based approach and community engagement).

4. Prior to its dissolution on 30 June 2007, CoP submitted a report to the Government in June 2007 summarising its work and making a number of recommendations. The full report is available at CoP's website (http://www.cop.gov.hk/eng/report.htm).

## Task Force on Poverty

5. Following the dissolution of CoP in June 2007 and the re-organisation of policy bureaux of the Government Secretariat with effect from 1 July 2007, the Labour and Welfare Bureau ("LWB") has been responsible for overseeing and coordinating poverty alleviation matters. In the 2007-2008 Policy Address, CE announced the setting up of an inter-bureau/departmental Task Force on Poverty headed by the Secretary for Labour and Welfare ("SLW") to coordinate the cross-departmental efforts on poverty alleviation. The terms of reference of the Task Force on Poverty are –

- (a) to monitor the progress on implementing the recommendations of CoP;
- (b) to coordinate the Government's efforts in tackling poverty, in particular poverty-related issues which have cross policy implications;
- (c) to promote community engagement to tackle poverty and promote self-reliance; and
- (d) to consider studies, researches and analyses for enhancing the understanding of poverty, assessing the impact of poverty alleviation measures and providing input for policy formulation.

#### Past discussions by the Panel

#### Setting up the Task Force on Poverty

6. When the Panel was briefed on the welfare initiatives in the CE's Policy Address 2007-2008 and Policy Agenda, members were given to understand that the Administration had set up a Task Force on Poverty, led by SLW and comprising representatives of relevant bureaux and departments, to oversee poverty alleviation matters and follow up on the poverty alleviation recommendations put forth by CoP.

7. Some members considered that the dissolution of CoP showed that the Administration lacked sincerity in tackling the problem of poverty. They also expressed disappointment at the Administration's failure to take forward poverty alleviation recommendations put forth by CoP. Members enquired about the concrete measures, timetable, and the additional resources for taking forward CoP's recommendations. Some members urged the Administration to set a target to reduce the number of low-income households in Hong Kong. A suggestion was also made for CoP to be re-established and led by the Chief Secretary for Administration ("CS"). The new commission should follow up on the implementation progress of the CoP's recommendations and formulate new poverty alleviation initiatives.

8. The Administration advised members that the Task Force on Poverty would monitor the progress of implementing the recommendations of CoP, coordinate efforts across the Government in tackling poverty, promote community engagement, promote self-reliance, consider studies, research and analyses necessary to enhance the understanding of poverty, assess the impact of poverty alleviation measures and provide input for policy formulation. The Administration was studying how best to take forward some of CoP's recommendations, such as providing a "one-stop" employment service through strengthening the collaboration among the Labour Department, the Social Welfare Department and the Employees Retraining Board, and setting up a Child Development Fund to provide more development opportunities for children from a disadvantaged background.

Secretariat support for the Task Force on Poverty

9. According to the Administration, a dedicated directorate officer was

needed to support LWB's work in poverty alleviation. At its meeting on 12 November 2007, members were briefed on the Administration's proposal to create one supernumerary post of Administrative Officer Staff Grade C ("AOSGC") in LWB for a period of three years with effect from 10 March 2008. The incumbent would serve as the secretary to the Task Force on Poverty and provide support to the work on poverty alleviation, take up responsibilities such as liaising with relevant bureaux/departments on policies and measures relating to poverty alleviation, and monitor the overall progress in implementing the recommendations of CoP. The Administration would review the continued need for the post in the light of the progress of the work on poverty alleviation.

10. While members welcomed the proposal to create a dedicated post in LWB to support the poverty alleviation work, members were concerned about the absence of a concrete work plan for combating poverty. In members' view, the Administration should set out the specific targets for poverty alleviation and other related initiatives in the coming years. Some members considered the Administration's staffing proposal far from adequate to make any practical achievements on the poverty alleviation measures put forth by CoP, including the development of social enterprises which required inter-bureau/departmental collaboration. To this end, a more senior officer was needed to coordinate the Government's efforts on combating poverty.

11. The Administration advised that it attached great importance to poverty alleviation. LWB would work closely with the Task Force on Poverty to promote inter-departmental efforts on combating poverty, and SLW would oversee the overall progress of the work on poverty alleviation. The Task Force on Poverty would report regularly to CS, and LWB would keep the Panel informed of the work progress of the Task Force on Poverty.

## Work progress of the Task Force on Poverty

12. The Administration subsequently briefed the Panel on the progress of the work of the Task Force on Poverty at its meeting on 13 July 2009. According to the Administration, the Task Force on Poverty had duly followed up on the 53 recommendations of the former CoP, and some recommendations had already been implemented. Members were concerned about the effectiveness of the measures in tackling the poverty problem and whether the Administration would set specific targets on poverty alleviation. 13. In the Administration's view, poverty alleviation required enormous resources. Notably, the public expenditure on welfare services represented over 17% of the government recurrent expenditure, and the expenditure on the social security system alone amounted to over \$25 billion, i.e. about 12% of the government recurrent expenditure. As the Government had lent its full support to the recommendations of the former CoP, the Task Force on Poverty had not experienced difficulties in starting its work. For instance, a \$300 Child Development Fund had been set up to reduce the inter-generational poverty. Most of the problems could be resolved when the relevant measures were in place, while some would take some time longer for the results to be seen.

14. The Administration stressed that the Task Force on Poverty would continue to co-ordinate the Government's efforts and monitor the progress in implementing the former CoP's recommendations, as well as to explore possible new initiatives and measures which would assist the disadvantaged groups and people in need.

### Recent developments

15. At its meeting on 13 December 2010, members discussed the Administration's proposal to retain the supernumerary post of AOSGC in LWB for a period of three years with effect from 10 March 2011 to continue to provide support to the work on poverty alleviation. At the request of members, the Administration had also provided the Panel with the progress in implementing the former CoP's recommendations.

16. While raising no objection to the staffing proposal, members requested the Administration to examine the need for converting the supernumerary post into a permanent one so as to demonstrate its commitment in poverty alleviation. The Administration advised that it had not proposed to extend the post indefinitely, as some of the poverty alleviation measures would eventually become regular welfare services.

17. As members were given to understand that the Task Force on Poverty had duly followed up all the recommendations of the former CoP, members considered that apart from focusing on the following up of the recommendations of the former CoP, the Administration should also accord equal importance to the development of new initiatives to alleviate the poverty problem. The Administration reiterated that while many of the former CoP's recommendations had already been implemented, the Task Force on Poverty would continue to monitor the development of these initiatives. It would also embark on a comprehensive review shortly to evaluate, from both policy and operational perspectives, the overall effectiveness of the employment assistance programmes under the Comprehensive Social Assistance Scheme. The Administration undertook to provide the Panel with periodic work progress of the Task Force on Poverty.

## **Relevant papers**

18. A list of the relevant papers on the Legislative Council website is in the **Appendix**.

Council Business Division 2 Legislative Council Secretariat 5 July 2011

# **Relevant papers on** work progress of the Task Force on Poverty

Committee	Date of meeting	Paper
Panel on Welfare Services	15 October 2007 (Item I)	Agenda Minutes
		<u>windles</u>
Panel on Welfare Services	12 November 2007	<u>Agenda</u> Minutos
	(Item VI)	<u>Minutes</u>
Panel on Welfare Services	23 October 2008	Agenda Minutes
	(Item I)	<u>Minutes</u>
Panel on Welfare Services	13 July 2009	Agenda
	(Item IV)	<u>Minutes</u>
		<u>CB(2)2480/08-09(01)</u>
Panel on Welfare Services	13 December 2010	Agenda
	(Item V)	<u>Minutes</u>

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