

政府總部
勞工及福利局
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政府總部



LABOUR AND WELFARE BUREAU
GOVERNMENT SECRETARIAT

Central Government Offices
Tim Mei Avenue
Tamar, Hong Kong

本函檔號 Our Ref.: LWB T4/18/29

來函檔號 Your Ref.:

28 February 2018

Ms Anita SIT
Clerk to the Finance Committee
Legislative Council Complex
1 Legislative Council Road
Central
Hong Kong

Dear Ms Sit,

**Legislative Council Finance Committee
Follow-up to Meeting on 12 January 2018**

At the meeting of the Legislative Council Finance Committee on 12 January 2018, the Government was requested to provide information on the Comprehensive Social Security Assistance (CSSA) Scheme and relevant issues. I am authorised to reply as follows.

Payments under the CSSA Scheme

Apart from standard rates, the non-contributory CSSA Scheme also provides supplements (including long-term supplement, single parent supplement, community living supplement, transport supplement and residential care supplement) and special grants (including rental allowance, medical and rehabilitation grants, family grants, child-care grants, school grants, burial grant, etc.) to recipients to meet their special needs.

Same as the standard rates of CSSA, the supplements are adjusted annually on 1 February in accordance with the movement of the Social Security Assistance Index of Prices (SSAIP). As regards special grants, they are adjusted according to relevant mechanisms (e.g. in accordance with the movement of SSAIP or Consumer Price Index (A)).

Employment of Persons Aged 60 to 64 by the Labour and Welfare Bureau and the Social Welfare Department

In 2016 and 2017, the Labour and Welfare Bureau and the Social Welfare Department employed five staff who were aged between 60 and 64 at the time of joining the service.

Rent Allowance under the CSSA Scheme

The maximum rates of rent allowance (MRA) under the CSSA Scheme is adjusted annually in accordance with the established mechanism, which is based on the movement of the Consumer Price Index (A) rent index for private housing. In the past five years, the cumulative increase of the MRA under the CSSA Scheme exceeded 27%.

We consider that the Government should not increase the rent allowance under the CSSA Scheme outside the established mechanism. In the midst of the present tight housing supply, additional subsidies by the Government may prompt a rent increase by landlords, leaving the tenants with no effective assistance. On the other hand, the burden of non-CSSA low-income households may increase. This is not conducive to helping low-income families.

On this basis, we consider that one-off measures (e.g. subsidy under the Community Care Fund¹) are more effective in alleviation of rental burden of needy CSSA households than simply increasing the rent allowance under the CSSA Scheme. The Government will continue to work closely with the community at large to expedite the construction of

¹ The Community Care Fund relaunched the programme 'Subsidy for CSSA Recipients Living in Rented Private Housing' for two years in November 2017. The arrangements for the programme have been enhanced to take into account the actual rent paid by eligible households in the calculation of the amount of subsidy. It will serve as a possible model for regularising the programme in future.

public housing units, so as to effectively address the housing needs of the grassroots.

Changes of Prices of Items Covered under SSAIP

As at end-October 2017, the weighting and percentage change of the 12-month moving average as compared with the same period of the preceding year of the commodities and services items covered under SSAIP are tabulated below -

Commodity / Service section ^[Note 1]	Weighting under SSAIP with 2014/15 as base year	Percentage change of the 12-month moving average as at end-October 2017 as compared with the same period of the preceding year (%)
Food	63.43	+1.7
Electricity, gas and water	7.29	-1.2
Alcoholic drinks and tobacco	1.38	+1.7
Clothing and footwear	3.31	-1.0
Durable goods	2.28	-3.1
Miscellaneous goods	8.02	+1.9
Transport	4.78	+1.0
Miscellaneous services	9.51	+1.8
All SSAIP commodity / service items	100.00	+1.4 ^[Note 2]

Note 1: SSAIP covers the various commodity and service items consumed by CSSA recipients, but does not include commodity and service items which are covered by CSSA special grants (e.g. rent, water and sewage charges, school-related expenditure) and commodity and service items provided free by the Government (e.g. public medical services, school fees).

Note 2: The overall percentage of price change is calculated based on the weighting of individual items and their price changes since the base year. The percentage of price changes of individual items may not add up to the aggregate due to rounding.

Amongst the various SSAIP commodities, the index for food increased by 1.7%, whereas the indices for electricity, gas and water; clothing and footwear; and durable goods decreased by 1.2%, 1.0% and 3.1% respectively. The decrease in the index for electricity, gas and water was mainly due to the downward adjustment of electricity charge in

January 2017 and the special fuel rebate disbursed starting from January 2017. The decrease in the index for clothing and footwear was mainly due to the drop in the prices of clothing in early 2017. As for the index for durable goods, it was mainly due to the continuous drop in the prices of information technology equipment in recent years.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Edric Leung', written in a cursive style.

(Edric LEUNG)

for Secretary for Labour and Welfare

cc.

Secretary for Financial Services and the Treasury
(Attn: Ms Florence WAI)

Director of Social Welfare
(Attn: Miss Rita LAU)