Latest arrangements of WFA Scheme and I-WITS Scheme

The Government announced today (March 30) that it will start implementing a time-limited special measure in June 2021, i.e. to reduce the working hour requirements of the Working Family Allowance (WFA) Scheme from June 2021 to May 2022. Meanwhile, the Government will abolish the Individualbased Work Incentive Transport Subsidy (I-WITS) Scheme starting from June 2021.

The ongoing COVID-19 pandemic has led to worsening employment and economic conditions. In order to provide additional support to working individuals and families with financial difficulties, the Government will reduce the WFA working hour requirements for non-single-parent households for the claim months from June 2021 to May 2022, which include substantially reducing the working hour requirement for Basic Allowance from 144 to 72 hours per month, as well as reducing the working hour requirement for Medium Allowance from 168 to 132 hours per month. This arrangement has been approved by the Finance Committee of the Legislative Council as detailed below:

Types of allowance	requirements of total monthly	Total monthly working hour requirements from June 2021 to May 2022 (hours)
Basic Allowance	144 to less than 168	72 to less than 132
Medium Allowance	168 to less than 192	132 to less than 192
Higher Allowance	192 or more	Unchanged at 192 or more

The existing working hour requirements of 36, 54 and 72 hours per month for Basic, Medium and Higher Allowances respectively for single-parent households will remain unchanged.

The Government will also abolish the I-WITS Scheme starting from June 2021 to pool resources for implementing the time-limited reduction of WFA working hour requirements and handling the continued surge in WFA applications. The last claim month of the I-WITS Scheme will be May 2021. Applicants can submit their last I-WITS applications with claim month(s) up to May 2021 on or before August 31, 2021. The Working Family Allowance Office (WFAO) of the Working Family and Student Financial Assistance Agency will encourage and assist current I-WITS recipients to apply for the WFA.

Moreover, the Government will maintain the income and asset limits of

all types of households of the WFA Scheme as listed at the Annex. As for the I-WITS Scheme, the Government will freeze its income limit at \$11,000 per month, and maintain its asset limit at \$99,000 before the Scheme ends in June 2021.

For enquiries, applicants may call the WFAO's hotline (2558 3000) or visit its website (<u>www.wfsfaa.gov.hk/wfao</u>).