LCQ12: Employment Support under the Comprehensive Social Security Assistance Scheme

Following is a question by the Hon Chan Kin-por and a written reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (March 26):

Question:

According to the paper submitted by the Government to the Panel on Welfare Services of this Council on November 22 last year, the Employment Support Services (EmSS) under the Comprehensive Social Security Assistance (CSSA) Scheme will expire in September this year, and the Social Welfare Department (SWD) will replace the EmSS with the Support Programme for the Unemployed (SPU) for two years to assist recipients to enhance employability, better integrate into society and reduce reliance on the CSSA. In this connection, will the Government inform this Council:

 of the number of able-bodied persons receiving the CSSA due to unemployment or low income and their average duration on the CSSA in each year since 2023;

(2) given that, as advised by the Government at the meeting of the Panel on Welfare Services of this Council on November 22 last year, the nongovernmental organizations commissioned by the SWD to operate the EmSS are required during the contract period from April 1, 2020 to September 30, 2025 to assist at least 25 per cent of EmSS recipients in successfully securing employment or returning to mainstream education for at least one month, and at least 20 per cent of EmSS recipients to do the same for three months, but the respective percentages only stood at 22.8 per cent and 17.9 per cent as at September 30 last year, temporarily failing to meet the service performance requirements, of the counter-measures taken by the Government in this connection, and whether it has evaluated the effectiveness of the services concerned;

(3) as there are views pointing out that the objectives of the EmSS and SPU differ from one another in that while the former provides counselling services to recipients and requires them to make sustained job-[]seeking efforts, the latter focuses on ensuring meaningful engagement of participants through unpaid work, whether the Government will set service performance requirements for the SPU to make it distinct from the EmSS; and

(4) given the views that the Government used to measure the effectiveness of the EmSS by "the number of successful job placements", neglecting the evaluation of employment quality (e.g. □wages and job stability), whether the Government has considered including more specific data (e.g. proportions of those still remaining in the job at least one, three and six months after taking up employment, wage levels, and numbers of working hours) in its analysis of the long-term effectiveness of SPU, so as to ensure that future policy adjustments can be made based on empirical evidence?

Reply:

President,

As part of Hong Kong's social security system, the Comprehensive Social Security Assistance (CSSA) Scheme provides a safety net of last resort for people who cannot support themselves financially due to old age, ill health, disability, single parenthood, unemployment, low earnings or for other reasons to help them meet their basic needs. There are stringent means tests under the CSSA Scheme to ensure that finite public resources are targeted at catering for needy persons.

The CSSA Scheme not only provides cash assistance to needy persons, but also encourages able-bodied recipients with work ability to overcome employment barriers to achieve self-reliance. In April 2020, the Social Welfare Department (SWD) launched the enhanced Employment Support Services (EmSS) by commissioning non-governmental organisations (NGOs) to provide intensive counselling services to recipients, and enhancing the efficacy of NGOs in delivering the relevant services by leveraging the resources of the Labour Department (LD) and the Employees Retraining Board (ERB).

In general, unemployed able-bodied CSSA recipients aged 15 to 59 are required to receive the EmSS unless they have justifiable reasons for not being able to work (such as pursuing studies, or having to look after young children, sick or disabled family members at home). EmSS recipients need to comply with a number of obligations, mainly in terms of meeting NGO case managers and seeking employment continuously, failing which will result in CSSA stoppage for the relevant recipient and his/her household. Unemployed able-bodied CSSA recipients aged 60 to 64 may receive the EmSS on a voluntary basis.

I reply to the four parts of the question raised by Member as follows:

(1) The number of unemployed CSSA recipients and their average duration of receiving the CSSA in 2023-24 and 2024-25 are set out in Table 1 at Annex. The number of low-earning CSSA recipients and their average duration of receiving the CSSA in 2023-24 and 2024-25 are set out in Table 2 at Annex.

(2) to (4) The five-and-a-half year EmSS contract period will end in September 2025. During the contract period (i.e., from April 1, 2020 to September 30, 2025), NGOs are required to assist at least 25 per cent of the unemployed able-bodied EmSS recipients to secure employment or return to mainstream education for at least one month, and at least 20 per cent of these recipients to do the same for at least three months. As at December 31, 2024, these percentages stood at 23.1 per cent and 18.2 per cent respectively, which were close to meeting the performance requirements. The SWD will continue to closely monitor the NGOs' service performance in the remainder of the contract period (i.e. January to September 2025).

Taking into account the past experience of the EmSS, public views on the EmSS as well as the labour market situation in recent years, the SWD will replace the EmSS with the Support Programme for the Unemployed $\square(SPU)$ starting October 2025. The SPU will be operated on a pilot basis for two years by NGOs and/or other organisations. All unemployed able-bodied CSSA recipients aged 15 to 59 will be mandated to participate in the SPU and take up unpaid work on a weekly basis arranged by the SPU operators, until they have secured gainful employment or returned to mainstream education. Incompliance with the unpaid work requirement will result in CSSA stoppage for the participant and his/her household. The SWD expects the SPU to be more effective in motivating the unemployed able-bodied CSSA recipients to connect with the community, develop a work habit and accumulate work experience to enhance employability, thereby reducing their reliance on the CSSA in the long term. Meanwhile, SPU participants will continue to have access to a range of free employment services and training resources as well as relevant training allowances provided by the LD and ERB.

SPU operators are required to identify and arrange participants to take up unpaid work on a weekly basis in accordance with the SWD's requirements. The SWD is in the process of ironing out specific implementation details of the SPU, and organisations interested in operating the SPU will be invited to submit proposals in due course. The SWD will collect data on participants' compliance and CSSA stoppage during the SPU implementation for assessing its operation and evaluating its effectiveness.