

LCQ5: Livelihood initiatives

Following is a question by Dr the Hon Priscilla Leung and a reply by the Secretary for Labour and Welfare, Dr Law Chi-kwong, in the Legislative Council today (May 27):

Question:

Regarding various livelihood initiatives, will the Government inform this Council:

(1) as the Government announced in January this year that it would lower the minimum eligible age of the \$2 transport fare concession scheme from 65 to 60, whether the Government will expeditiously, and before the end of the current session of the Legislative Council, submit the funding proposal to the Finance Committee so that persons aged 60 to 64 could enjoy the \$2 transport fare concession as early as possible;

(2) as the Government indicated in October last year that before the completion of the study on a scheme of providing cash allowance on a regular basis for low income households not living in public rental housing and not receiving Comprehensive Social Security Assistance (CSSA), it would invite the Community Care Fund to provide two rounds of one-off living subsidy for those households in 2020-2021, of the latest progress of such work and the anticipated dates on which the subsidy will be disbursed; and

(3) given that the Government has offered a time-limited unemployment support scheme under the CSSA Scheme to render assistance to those persons who have recently become unemployed due to the epidemic, whether the Government will waive, for the unemployed persons, the requirement that CSSA applications have to be made on a household basis, so that they may apply for CSSA on their own, and whether it will disburse an additional allowance to those unemployed persons who are currently receiving CSSA?

Reply:

President,

Having consulted the relevant policy bureaux, my reply to the Member's question is set out below:

(1) The Chief Executive announced in January 2020 the proposal of lowering the eligible age of the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities from the existing 65 to 60. The Labour and Welfare Bureau and Transport Department have requested the consultancy firm to come up with practical options for full implementation of the proposal in their on-going comprehensive review. The consultancy firm will complete their review and submit the consultancy report in around mid-2020. Upon receipt of the completed consultancy report, the Government will study carefully the recommendations and announce the implementation details of the proposal.

(2) According to information provided by the Home Affairs Bureau, the Commission on Poverty approved funding, via the Community Care Fund, for the disbursement of two rounds of "one-off living subsidy" to low-income households who are not living in public housing and not receiving Comprehensive Social Security Assistance (CSSA) in 2020/21. The total estimated expenditure of the programme is \$2,565.91 million. It is expected that about 105 500 households (or around 272 000 persons) and about 137 150 households (or around 353 600 persons) will benefit from the first round and second round of disbursement respectively. Applications are handled in phases according to the household size. Applications for the first round of subsidy will start on July 2 until November 30, 2020. Applications for the second round of subsidy will commence in January 2021. The subsidy amount for each of the household size groups for the two rounds of disbursement is the same, i.e. \$4,500 for one-person households, \$9,000 for two-person households, \$12,500 for three-person households, \$14,500 for four-person households and \$15,500 for five-or-more-person households. For those applications with all the required information duly submitted, it is estimated that the subsidy may be disbursed within two months from the date of application.

(3) The CSSA Scheme provides a safety net to help persons and families who cannot support themselves financially to meet their basic needs. The Scheme is non-contributory, but applicants have to pass a means test to ensure public resources are used on those who are genuinely in need. The means test of the Scheme is conducted on a household basis, which is in keeping with the concept of promoting mutual support among family members. Under special circumstances, such as an individual having no economic ties with other persons in the same household as verified by the Social Welfare Department (SWD), the department will consider allowing him/her to apply for CSSA independently on a discretionary basis.

Having considered the unprecedented challenges posed by the coronavirus disease 2019 (COVID-19) in Hong Kong, the Chief Executive announced on April 8, 2020 the second round of anti-epidemic measures including the provision of a time-limited unemployment support scheme through the CSSA system, with a view to providing timely and basic assistance to unemployed persons during this difficult time. The Finance Committee of the Legislative Council approved the related funding on April 18, 2020. SWD will temporarily relax the CSSA asset limits for able-bodied persons (including able-bodied adult singletons and able-bodied adults and children under family cases) by 100 per cent for six months. The relevant scheme will be effective from June 1 to November 30, 2020 (i.e. the asset limits will revert to the normal level from December 1, 2020). Separately, under the existing CSSA arrangement, the value of an owner-occupied residential property of able-bodied households will be disregarded for a grace period of the first 12 months. This arrangement will also apply to applicants under the six-month unemployment support scheme.

There are currently no mechanisms/systems in place to disburse unemployment assistance funds promptly in Hong Kong. These mechanisms/systems include: (1) a pay-as-you-go income tax system; (2) a contributory social insurance system; or (3) a central provident fund system. It will take time

if we were to establish such a mechanism/system, and imminent needs cannot be relieved expeditiously. As an expedient measure, the Government will launch the six-month unemployment support scheme mentioned above through the CSSA system. In addition, employees are qualified for severance payment or long service payment if they satisfy the conditions stipulated in the Employment Ordinance. Meanwhile, under the Love Upgrading Special Scheme of the Employees Retraining Board, the maximum amount of monthly allowance per eligible trainee (who are unemployed or underemployed) during the training period has been increased to \$5,800 with effect from May 25, 2020.