

Commission on Poverty (CoP)
Meeting held on 20 November 2006
Gist of Discussion

The Commission on Poverty held its eleventh meeting on 20 November 2006.

Item (1) Promoting Child Development – Way Forward (CoP Paper 20/2006)

2. Members were briefed on the gist of discussions at the Child Development Forum held on 10 November 2006 and the three broad models emerged from the discussions, namely (1) Child Personal Development Fund; (2) Child Targeted Savings Fund; and (3) Child Trust Fund. Members reiterated the importance for the Administration to strengthen its efforts to prevent intergenerational poverty. Members in general supported the initiative to explore the asset-building approach as a way to encourage personal development of children and to tackle intergenerational poverty in Hong Kong.

3. They shared the views that the above initiative should be considered as a measure in addition to the existing services for children and youth. They supported the Government to invest additional resources to try out pilots on Model (1) and Model (2), and further consult the community on the long-term policy objectives and approach of Model (3). They also considered that complementary training and guidance to help children draw up their personal development plans and to build their own assets was crucial when implementing the above pilots.

Item (2) Enhancing Self-Reliance Through District Partnership Programme – An Update (CoP Paper 21/2006)

4. Members were then updated on the progress of the “Enhancing Self-Reliance Through District Partnership Programme” initiated by the Commission. Members noted that the Programme had encouraged social enterprise development and creation of some 200 community employment opportunities. The Meeting also discussed other ways to facilitate the development of new social enterprises, such as strengthening support

service at the district level

5. Members were of the view that the Government should only provide seed money to help the start up of the business and the social enterprises should be self-sustainable in the long run. It was also important to put in place a mechanism to evaluate the effectiveness of the projects and to measure the social benefits it brought to the community.

Item (3) Study on the Effect of Taxation and Social Benefits on Household Income Distribution (CoP Paper 22/2006) & Study on Earnings Mobility (CoP Paper 23/2006)

6. Members were briefed on the findings of the two major studies to facilitate the understanding of the poverty situation in Hong Kong. For the first study, Members noted that Government's transfers and benefits had helped to alleviate poverty. The post-transfer income increased for all decile groups except that for the top decile group. The low-income groups generally received more social benefits than they paid in direct taxes. For the second study, Members noted that there was earning mobility across generations as 87% of children with fathers in the lowest earnings quintile group had actually moved up to higher earnings groups in their adult life. Members agreed with the study that education was an important means to enhance upward earnings mobility.

Item (4) Matter Arising

7. The Meeting noted the existing measures and new initiatives to strengthen assistance to ethnic minorities in training and education, including workplace language programmes, strengthening vocational training, as well as enhanced educational support measures for ethnic minority students.

Commission Secretariat
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