

*Can Comprehensive Social Security  
Assistance Scheme Eradicate  
Absolute Poverty in Hong Kong?*

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# Outline



- Explore how the Hong Kong Government construct a negative dependency image of the CSSA recipients
- Discuss whether the level of the CSSA is adequate to provide a basic living for its recipients.
- Propose improvement on the effectiveness and inclusion effects of the CSSA

# Background

- The Comprehensive Social Security Assistance (CSSA) Scheme is the sole income protection system in Hong Kong.
- The government claims that CSSA is the safety net, which can solve the absolute poverty problem in Hong Kong.
- Both the scope and the depth of this income protection systems, however, are not enough to provide *adequate level of protection* for all the poor people in need.

# CSSA as “Safety Net” of Hong Kong

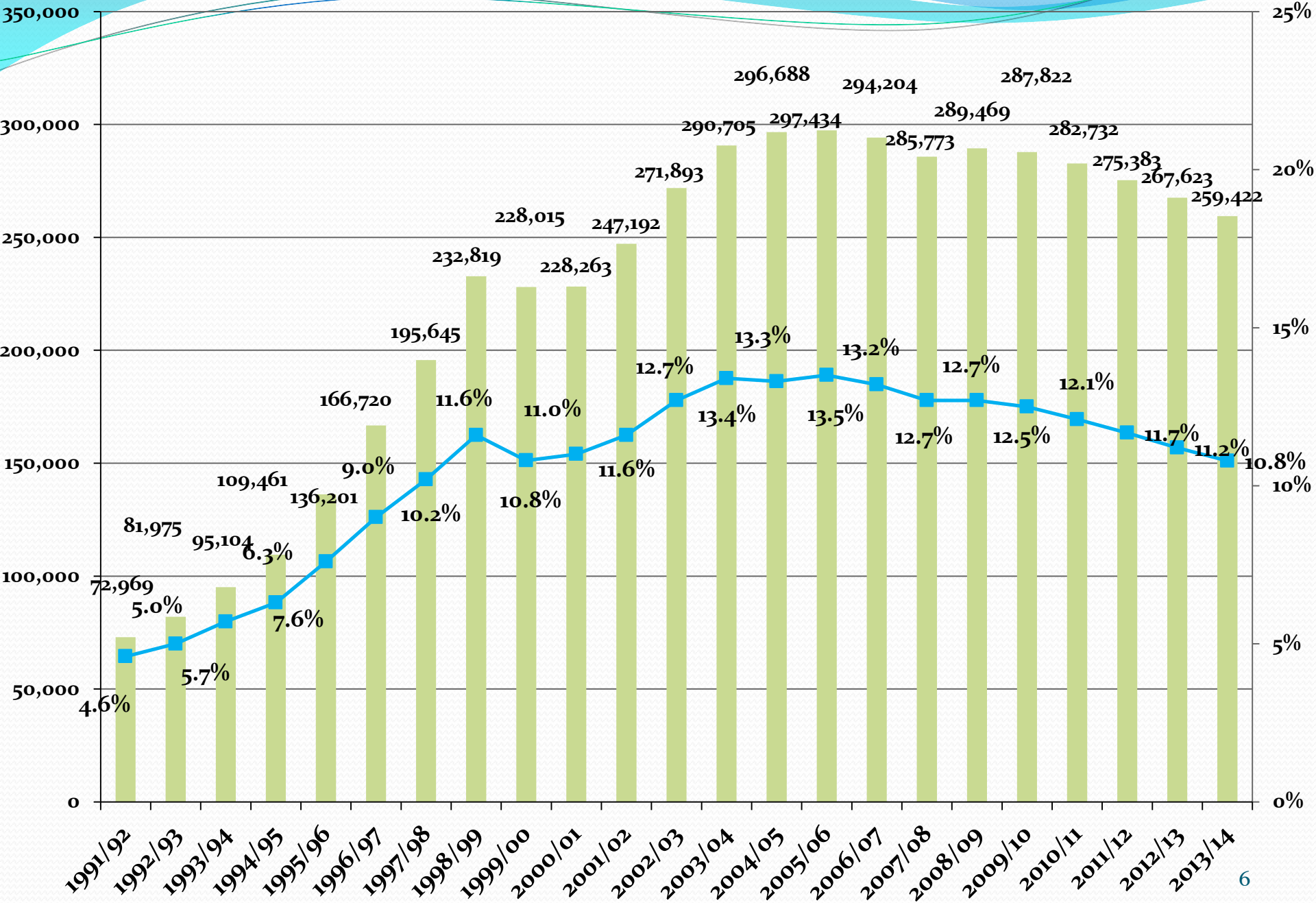
- Comprehensive Social Assistance Scheme (CSSA) is the major social protection scheme in Hong Kong. It is the largest coverage and expenditure scheme among the different social security schemes.
- Public Assistance Scheme, the original name of CSSA was established in 1971.
- The aim of the CSSA Scheme is to provides financial assistance to bring the income of needy individuals and families up to a prescribed level to meet their basic needs, which can be known as the “safety net function”

# Core Group of Abject Poverty

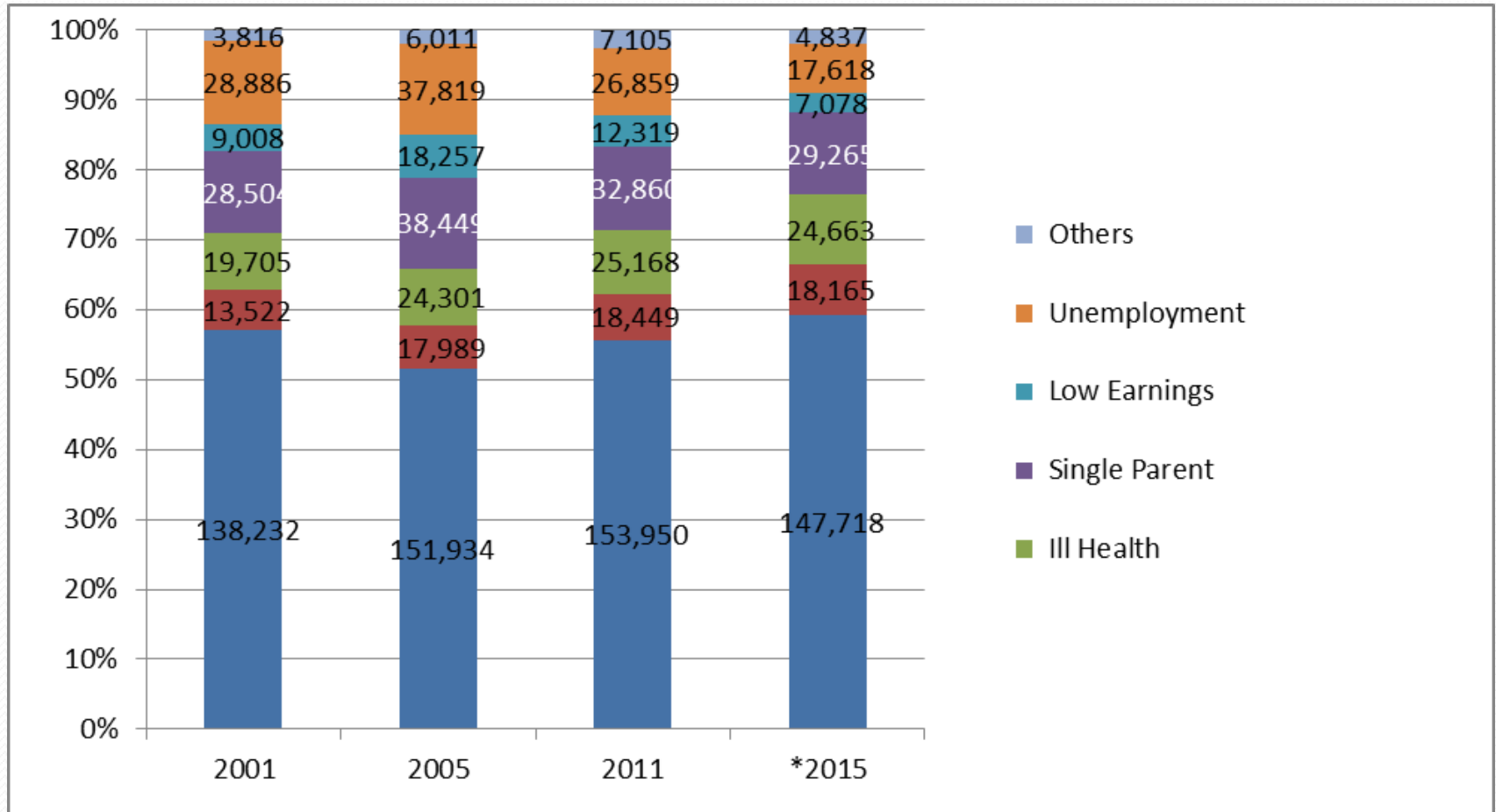
- Families that receive CSSA need to pass stringent income and assets reviews. As the most important safety net in Hong Kong's social security system, the recipients of CSSA can be regarded as constituting a core group of the abject poor in Hong Kong
- In May 2015, there were 249,344 CSSA cases

No. of CSSA cases

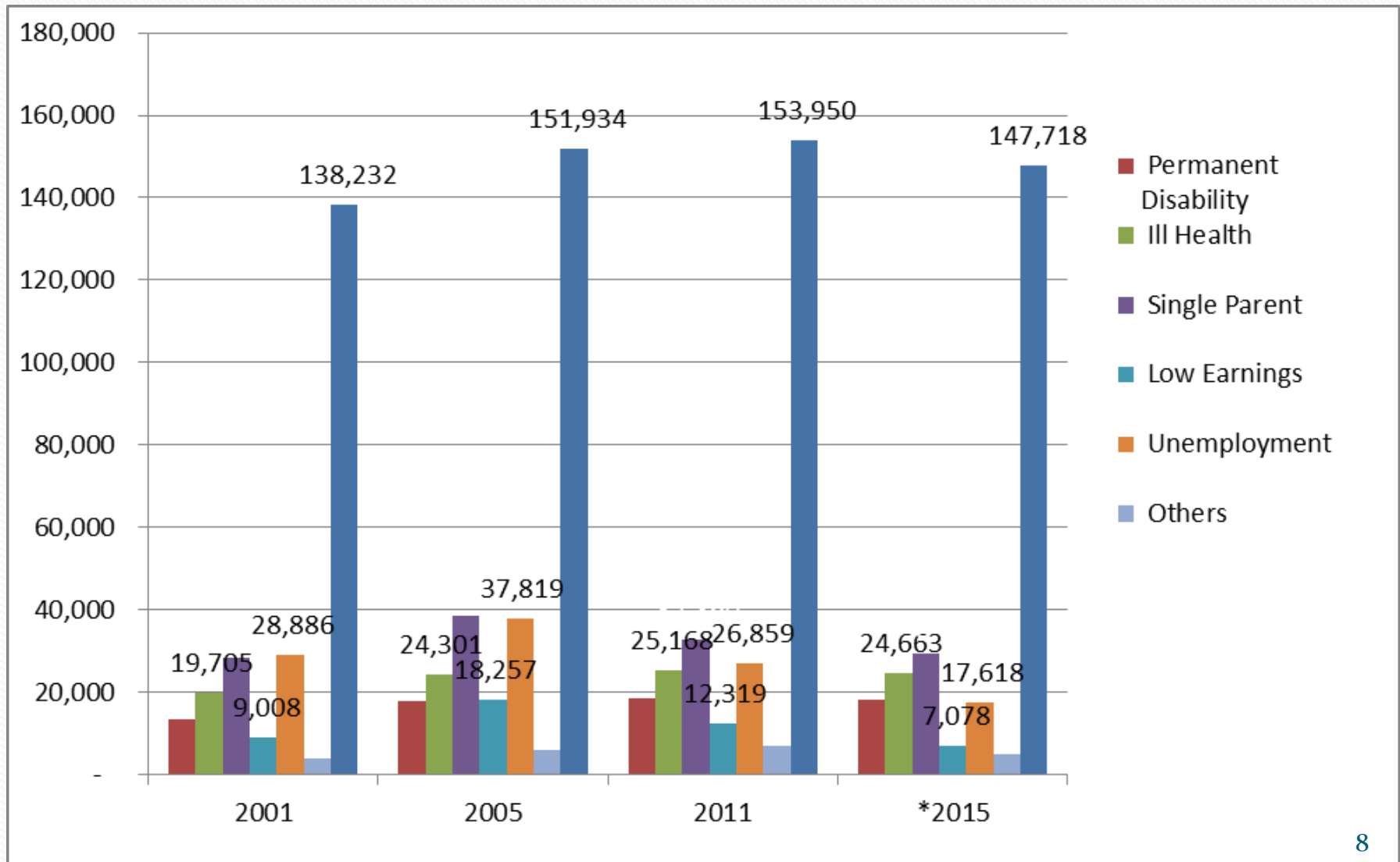
% of households in HK



# No. & % of different nature of CSSA Cases 2001 -2015



# No. of different nature of CSSA cases (2001-2015)





# 1998 CSSA Reform and Implement Support for “Self-Reliance”

- Social Welfare Department review the CSSA scheme in 1998 and 2003. Both reviews cut level of the standard rate and the special need allowance significantly. These two reviews were not involved public and independent members, only carried out by government officials and the main focus is to compare the level of CSSA to the wage level of low skilled workers.
- In December 1998, the report “Support for Self-Reliance” stressed the able bodies who can work should work by implementing “Support for Self-Reliance Scheme”
- One Government officer said, “Any job is a job, low pay is better than no pay” which represent the “workfare” or “job first” mentality of the Government

# Increase of CSSA cases & expenditure

- The report stated that the reason of the review is that more people in Hong Kong concerns with the increase of CSSA cases and its expenditure. The level of CSSA received by a big family were higher than the market wage. Also there were more adult in working age applying for CSSA.
- The Government identified the following factors: aging population, increasing knowledge of CSSA, change of public attitude towards CSSA and the low increasing rate of wage, which make CSSA more attractive.

# Reinforce discrimination and labeling towards CSSA recipients

- The statements and discourses on the analysis of CSSA recipients reinforced the label “CSSA make people lazy” hold by the some citizens.
- On one hand, Government claims that review of CSSA is to respond to the public view that “CSSA make people lazy”, so it should tighten the eligibility criterion and reduce the amount of CSSA.
- On the other hand, the review report also reinforce and deepened the original discrimination and labeling of the mass towards CSSA recipients, which consolidate the negative images of the CSSA recipients among public. ◦

# Deterioration of working poverty

- Government did not provide or regulate the market to provide adequate job vacancies, which allowed workers to support themselves and their family.
- The SES scheme urged the CSSA recipients to accept low paid jobs, but did not care about the wage level of those jobs.
- The cut of CSSA rates and the adoption of SES strategy cannot solve the poverty problem in Hong Kong and even make the working poverty problem more serious.

# The Impact of Cutting CSSA

- In June 1999, Government enforce the cut of the CSSA, the standard rate of 3-person households was reduced 10% and those of 4-person and over households were reduced by 20%. The special need allowance and the long-term supplement of the able bodies were also cut.
- The “Support for Self-Reliance” (SES) scheme were also enforced to all able-body adult in 1999, they were required to search at least 3 jobs in 14 days, otherwise they needed to participate in “Community Work” to maintain their motivation and connection with labour market

# 1999 HKCSS Impact Study

- HKCSS conducted a study to compare the expenditure pattern before and after the 1999 reduction of CSSA rates.
- To many CSSA households, the expenditure on housing and education are fixed, as price are out of their control and they could not find other alternative services.

# Tight food budget

- The common strategy of the CSSA households after the cutting of CSSA standard rates was to reduce the food expenditure. The average expenses per meal per person was only \$12.3 after the cut.
- Many CSSA households got a very tight food budget, some of them were in the margin of starving near the end of month.
- Homogenous and cheap food supply as well as inadequate quantity might induce inadequate or unbalance nutrients of children, which have adverse effects on their physical and mental health.
- The created serious and long-term impacts to children in CSSA households.



# Lower expenses in social activities and tutorial

- Other than food expenses, CSSA households also reduced participation in normal social activities and social contact to reduce their expenses.
- CSSA households cut the pocket money of the children from \$272.3 to \$214.6 (monthly average, same in below), a reduction of 21.1%. Moreover, transportation fee for social activities reduced from 132.4 to 73.2, a decrease of 44.7%.
- As CSSA scheme cut the out-of-class caring allowance, the expenses on caring and tutorial was tremendously reduced from \$619.9 (reduction of 74.1%) , this obviously affect the fairness of competition between CSSA children and ordinary children in education



# The labeling effect of CSSA

- Oxfam and PolyU social policy research centre conducted a telephone survey about the attitude of public towards CSSA in August 2006, which interviewed 1026 aged 18+ adults.
- 59.4% respondents agreed or strongly agreed that “abuse in CSSA is very serious now” only 28.0% disagree or strongly disagree to the statement.
- Majority of the public especially those older age and lower education attainment agreed that abuse of CSSA was serious (Oxfam, 2007).

# Misunderstanding and Don't want to apply

- About the knowledge of CSSA, 61.2% agree or strongly agree that “most of the CSSA recipients are new immigrants” 56.9% agree or strongly agree that “most of the CSSA recipients are unemployed”
- However, both statements were wrong. Majority of CSSA recipients were those old age people with long history residence in Hong Kong. This shows that the public do not understand or misunderstand the CSSA system.
- 55.5% respondents agreed that “Hong Kong society has stereotype on CSSA recipients”, only 36.1% disagreed.
- About 1/3 of the respondents stated that “if needed and eligible, still do not want to apply for CSSA”, the major reasons were “do not want to rely on government” or “afraid looking down by others on me and/or family members”.

# Majority agreed “CSSA make people lazy”

- 74.3% respondents agreed or strongly agreed that “CSSA will lower work motivation of its recipients”, only 19.7% disagreed or strongly disagreed the view. Those with higher education tends to agree with the statement.
- Majority of the public do agree with the general discourse that “CSSA make people lazy”

# Social Deprivation of the CSSA recipients (HKCSS, 2012)

- About 60% CSSA recipients cannot afford “routine dental cheup-up”, about 50% cannot afford “medical cost of consulting private doctor “ and “taxi fare to hospital for consultation”;
- For food, 7.3% CSSA recipients cannot afford “at least one fresh fruit in a week” and 6.0% cannot afford “breakfast everyday”
- Those CSSA recipients living in the private rental housing are more deprived, about 61.5% of them cannot afford the housing condition for “enough space for activities and no need to stay in bed all day”.

# The Unsafe Safety Net

- After the two major review and cut of CSSA in 1999 and 2003, CSSA became a unsafe safety net. Many recipients cannot fulfil their basic need and cannot fully participate in the society.
- Adult need to work to participate in society and children need to study to participate in society, the low level of CSSA cannot provide adequate financial income for its recipients to actively and fully participate in society, thus lower their opportunity of escape from the poverty trap.
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# Thank you!

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