

S.L.M.P.

5 October, 1976.

450 families gain from scheme

About 450 families have been granted increased public assistance since the rent allowance provided under the Public Assistance Scheme was raised on September 1.

This number forms about 10 per cent of those cases which came up for review last month at the Social Security Field Offices of the Social Welfare Department.

The head of the Social Security Division, Mr Alan Lu, said: "The review may take some time to complete as there are 51,000 cases."

He said: "As for cases that are yet to be reviewed, they will of course be back-dated to September 1."

The increase in rent allowance, Mr Lu pointed out, would enable families on public assistance to use the public assistance to supplement any other income to meet their basic food and clothing

requirements.

Quoting an example of how public assistance recipients benefit from the increased rate in rent allowance, he said:

"The scale of public assistance is \$180 for a single person, and for a family, \$130 for each of the first three family members, and \$105 for the next three, and \$80 for each additional eligible member. Therefore, the basic public assistance scale for a family of five is \$600 a month.

"On top of this, the family, under the previous rent allowance scale, was eligible for a maximum rent allowance of \$130, bringing the total allowance to \$730.

"If the family of five had a total monthly income of \$500 and had to pay \$250 as rent, they were eligible for public assistance of \$230 - the difference between family income of \$500 and their public assistance level of \$730."

However, since September 1 the rent allowance has been increased from \$130 to a maximum of \$285.

"As a result of the rent allowance increase, this family's public assistance level has now been raised from \$730 (\$600 public assistance plus \$130 rent allowance) to \$850 (\$600 public assistance plus \$250 rent allowance). This also means that they are now eligible for \$350 in public assistance on top of their \$500 income from other sources."

Commenting on the Public Assistance Scheme, Mr Lu said: "At present, public assistance is available to all except able-bodied people between 15 and 55 years of age who are free to work, that is, people who are not undergoing full-time education and who do not have to look after children or dependants at home."