

For discussion
on 12 April 2010

LEGCO PANEL ON WELFARE SERVICES

Additional Provision for Social Security Recipients

Purpose

This paper seeks Members' views on the proposal to provide recipients of Comprehensive Social Security Assistance (CSSA) and Social Security Allowance (SSA, comprising Old Age Allowance (OAA) and Disability Allowance (DA)) with an additional one-month payment.

Background

2. In his Budget Speech for the 2010-11 financial year delivered on 24 February 2010, the Financial Secretary proposed a series of one-off relief measures, including the provision of an extra allowance to CSSA recipients equal to one month of the standard rate CSSA payments, and an extra allowance to OAA and DA recipients equal to one month of the allowances. While Hong Kong is now in the early stage of recovery, the impact of the financial tsunami on many people is not yet over and the foundations of the recovery are not yet firm. This package of relief measures was therefore proposed to alleviate the burden of those who have not yet benefited from the economic recovery and to help consolidate Hong Kong's recovery.

Proposal

3. Under the CSSA Scheme, different standard rates are applicable to different categories of recipients (such as elderly persons, children or able-bodied adults). CSSA recipients will receive a one-off payment equivalent to the monthly standard rate to which they are applicable. Examples of the different standard rates applicable to different categories of recipients are

as follows –

Single person able-bodied elderly	:	\$2,590
Single person able-bodied adult	:	\$1,830
A 2-member CSSA family comprising one able-bodied elderly and one 100% disabled elder	:	\$5,220
A 3-member CSSA family comprising one single parent who is a family carer, and two able-bodied school children	:	\$5,065
A 4-member CSSA family comprising two able-bodied adults (the wife being a family carer) and two able-bodied school children	:	\$5,815

4. SSA recipients will receive one additional month of OAA or DA, the current rates of which are as follows –

OAA	:	\$1,000
Normal DA	:	\$1,280
Higher DA	:	\$2,560

5. We estimate that about 1.11 million recipients, including 480 000 CSSA recipients, 500 000 OAA recipients and 130 000 DA recipients, will benefit from the proposal.

Financial implication

6. The estimated financial implication of the above one-off measure is \$1.9 billion (including \$1.1 billion for CSSA, \$0.55 billion for OAA and \$0.25 billion for DA). Subject to Members’ views, we will proceed to seek the approval of the Finance Committee (FC) of the Legislative Council of the necessary financial commitment.

Implementation

7. Subject to FC’s approval, we aim to implement the proposal

around July 2010.

**Labour and Welfare Bureau
Social Welfare Department
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