

Supplementary Information on

FCR(2010-11)49 : Relaxation of the permissible limit of absence from Hong Kong for the Social Security Allowance Scheme

for the FC Meeting on 17 December 2010

We provide below supplementary information on the above FCai, as requested by the FC Chairman at the pre-meeting briefing with the Administration on 15 December 2010.

2. Recipients of Old Age Allowance (OAA) and Disability Allowance (DA) enjoy a permissible limit of absence from Hong Kong (absence limit) which is now set at 240 days in a payment year. They may be absent from Hong Kong for up to 240 days and still be eligible for full-year payment. If they have resided in Hong Kong for less than 125 days but not less than 90 days in a payment year (the latter is known as the minimum residence period), they will be eligible for 240 days' payment plus the payment for their period of stay in Hong Kong.

3. Our proposal in the FCai is to increase the absence limit to 305 days, and correspondingly reduce the minimum residence period to 60 days. As a result of the relaxation, those recipients who are absent from Hong Kong for 241 to 305 days in a payment year will also be able to enjoy a full-year payment.

4. According to the records of the Social Welfare Department, there were about 2 000 OAA and 370 DA recipients who were absent from Hong Kong for 241 to 305 days in 2009 (meaning the payment year for individual recipients ending between 1 January 2009 to 31 December 2009). The estimated financial implication of about \$7 million per annum under the new arrangement has taken into account the additional payment for these 2 370 recipients, assuming that there will be no change to the total number of OAA and DA recipients and their absence pattern.

**Labour and Welfare Bureau
17 December 2010**