

**Finance Committee of the Legislative Council
Follow-up to the Meetings on 9 November 2012**

Purpose

The Finance Committee (FC) Secretariat wrote to the Secretary for Financial Services and the Treasury on 13 November 2012, requesting the Administration to provide information on matters arising from the FC meeting of 9 November 2012. This note is in response to the matters set out in that letter.

(a) Number of elders aged 70 or above who are not receiving Higher Old Age Allowance under the Social Security Allowance Scheme

2. As at June 2012, more than 440 000 elders aged 70 or above were receiving Higher Old Age Allowance (OAA), accounting for about 62% of the population of that age group in Hong Kong. Therefore, the projection of long-term expenditure on Old Age Living Allowance (OALA) on the basis that 80% of the elders aged 70 or above are not receiving Higher OAA cannot reflect the actual situation.

(b) Impact of participants of Mandatory Provident Fund schemes on the number of OAA recipients in future

3. After the implementation of OALA, elders residing in Hong Kong will only apply for the type of OAA which does not have any requirements regarding financial means. Therefore, the number of participants of the Mandatory Provident Fund schemes and the amount of payment received by them under the schemes will have no direct impact on the number of these OAA recipients in future.