

Panel on Welfare Services

List of follow-up actions

(position as at 6 November 2012)

Subject	Date of meeting	Follow-up action required	Administration's response
1. Provision of infirmary care for elders in a non-hospital setting	13 December 2004	The Administration undertook to provide more details of the tender exercise before the next meeting, including the criteria used in selecting operators to run the trial scheme, justification(s) for inviting private home operators to participate in the exercise, and the reason(s) for setting the unit subsidy for each subsidized infirmary bed in a non-hospital setting at around \$11,000.	The Administration is exploring various options, including upgrading some of the places in subvented residential care homes for the elderly to provide infirmary care. The Administration will report the progress in due course.
2. Assistance to elderly not receiving Comprehensive Social Security Assistance	8 June 2006	The Administration was requested to – (a) provide a paper setting out the relevant figures to substantiate its saying that a pay-as-you-go retirement protection scheme was not feasible; and (b) consult employees in Hong Kong on whether they were willing to allocate part of their Mandatory Provident Fund contributions, say 50%, to a pool for distribution to the current cohort of elders, on the understanding that they too would receive a monthly sum of some \$2,500 in their old age.	The Administration announced on 16 July 2012 that a new Old Age Living Allowance of \$2,200 per month would be introduced as an additional form of financial assistance for Hong Kong elders aged 65 or above who had insufficient means for a living and were in need of support.

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			The Administration is conducting a study on retirement protection in Hong Kong.
3. Old Age Living Allowance	22 October 2012	<p>The Administration was requested to provide information on –</p> <ul style="list-style-type: none"> (a) the annual welfare-related expenditures for the elderly including comprehensive social security assistance for the elderly, Old Age Allowance ("OAA") and Old Age Living Allowance ("OALA") from now up to 2033; (b) the projection of the financial impacts on the Government's welfare-related expenditures including that for the elderly with and without means test for OALA for the next five, 10 and 15 years; (c) the rationale and philosophy for having different requirements under OALA and OAA; (d) the definition of income, as well as the types of income and assets to be included in the declarations made by OALA applicants, and clarification on whether endowment insurance (儲蓄保險), reverse mortgage, etc. would be regarded as income of OALA applicants; 	The Administration's response was circulated to members vide LC Paper No. CB(2)76/12-13(01) on 24 October 2012.

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		<p>(e) whether the transfer of assets by an applicant would have any retrospective effect as far as declaration of assets was concerned, and how the Administration would handle problems relating to declarations of income and assets by OALA applicants;</p> <p>(f) whether OALA could be able to sustain beyond 2040 having regard to the sharp increase in the elderly dependency ratio from 2012 to 2041;</p> <p>(g) information on the three-pillar model (i.e. non-contributory social security system, mandatory provident fund and voluntary private savings) in implementing universal retirement protection schemes and the problems faced by overseas places which had adopted the model; and</p> <p>(h) an assessment of the expenditures incurred by 2041 and the consequences on the Government's expenditures under the following four proposals –</p> <ul style="list-style-type: none">i. the Administration's existing proposal of OALA; andii. the Administration's existing proposal with the following adjustments –<ul style="list-style-type: none">(1) no means test was required for OALA applicants aged 70 or above;	

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		(2) no means test was required for all OALA applicants; or (3) increasing the asset limit to, say \$300,000 or \$500,000, for an OALA applicant.	

Council Business Division 2
Legislative Council Secretariat
6 November 2012