

**For information**

**Legislative Council Panel on Welfare Services**

**Residence Requirements of the Comprehensive Social Security Assistance Scheme and the Old Age Allowance under the Social Security Allowance Scheme**

**Purpose**

At the meeting of the Legislative Council Panel on Welfare Services held on 13 April this year, the Chairman requested the Government to submit to the Panel an information paper on the residence requirements of the Comprehensive Social Security Assistance (CSSA) Scheme and the one-year continuous residence (OYCR) rule of the Old Age Allowance (OAA) under the Social Security Allowance Scheme. Relevant information is set out in the ensuing paragraphs for Members' reference.

**Residence Requirement of the CSSA Scheme**

2. Following the judgment of the Court of Final Appeal (CFA) handed down on 17 December 2013 on a judicial review case regarding the "seven-year residence requirement" of the CSSA Scheme, the Social Welfare Department (SWD) has restored the "one-year residence requirement" which was in effect before 1 January 2004. As in the past, persons aged below 18 have continued to be exempted from the residence requirement of the CSSA Scheme. It is worth noting that the CFA judgment was clearly specific to the CSSA Scheme, and that the CFA judgment stated that it should not be applied to other welfare programmes.

3. The impact of the CFA judgment on CSSA expenditure would, to a very large extent, depend on the financial status of the new arrivals and their intention to apply for CSSA. From the date of the CFA judgment to end-December 2014, SWD received about 8 600 CSSA applications which involved persons aged 18 or above and residing in Hong Kong for less than seven years. As a matter of fact, the number of such applications has fallen sharply from a high of 170 per working day at end-2013 to about 10 per working day recently. After deducting the number of rejected applications and applications withdrawn by applicants,

and discounting the applications which would have been approved on a discretionary basis had the “seven-year residence requirement” still been effective, it is estimated that as at end-December 2014 there were about 5 500 recipients arising from the CFA judgment and the CSSA payment involved in 2014 was about \$175 million.

### **OYCR Rule of the OAA**

4. An applicant for OAA must have been a Hong Kong resident for at least seven years and must have met the OYCR whereby he or she has resided in Hong Kong continuously for at least one year immediately before the date of application (absence from Hong Kong up to a maximum of 56 days during the one-year period is treated as residence in Hong Kong). The residence requirements provide a rational basis on which public resources are allocated; help sustain a non-contributory social security system with an increasing demand; and strike a balance between the interests of various sectors of the community. The OYCR rule included in the residence requirements aims to ascertain that the applicant has a long-term connection with Hong Kong in order to ensure the proper use of public funds. It is worth noting that the Court of First Instance of the High Court dismissed two cases of judicial review of the OYCR rule under the OAA on 14 May and 17 September 2012 respectively.

### **Conclusion**

5. Members are invited to note the content of the paper.

Labour and Welfare Bureau  
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