

# 立法會 *Legislative Council*

LC Paper No. CB(2)701/18-19(02)

Ref : CB2/PL/WS

## **Panel on Welfare Services**

**Background brief prepared by the Legislative Council Secretariat for  
the special meeting on 28 January 2019**

### **Raising the eligible age for elderly Comprehensive Social Security Assistance from 60 to 65**

#### **Purpose**

This paper provides background information on raising the eligible age for elderly Comprehensive Social Security Assistance ("CSSA") from 60 to 65 and summarizes the major views and concerns expressed by Members during previous discussions on the subject.

#### **Background**

##### Elderly Comprehensive Social Security Assistance

2. The CSSA Scheme provides a safety net for those who cannot support themselves financially. Under this Scheme, eligible elderly persons/persons with disabilities/persons in ill health will receive higher standard rates than able-bodied recipients. Moreover, eligible elderly persons/persons with disabilities/persons in ill health will be granted supplements, such as community living supplement, long-term supplement, etc., and may, in accordance with their needs and circumstances, apply for special grants which are normally not applicable to able-bodied adults, such as the grants to costs of medical, rehabilitation, surgical appliances and hygienic items, etc. Currently, the monthly standard rates for a single able-bodied elderly person and a single able-bodied adult are \$3,485 and \$2,455 respectively,<sup>1</sup> and able-bodied recipients under the Scheme who are 15 to 59 years of age and unemployed or working part-time are required to

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<sup>1</sup> Starting from 1 February 2019, the monthly standard rates for a single able-bodied elderly person and a single able-bodied adult will be increased to \$3,585 and \$2,525 respectively.

participate in the Support for Self-reliance Scheme.<sup>2</sup>

### Raising the eligible age for elderly Comprehensive Social Security Assistance

3. The former Chief Executive announced in his Policy Address in January 2017 that the eligible age for elderly CSSA would be raised from 60 to 65 ("the new policy") to align with the direction of the Government's population policy to extend retirement age.

4. According to the press release issued by the Administration on 7 January 2019,<sup>3</sup> persons aged between 60 and 64 who have already been receiving elderly CSSA before 1 February 2019 will be grandfathered and not be affected. The CSSA payments of persons with disabilities or persons in ill health will not be affected either. They will, regardless of age, continue to receive CSSA payments which are higher than those applicable to able-bodied adults. Upon the adjustment of the computer system and completion of preparatory work, the Administration will implement the arrangement on 1 February 2019.

### **Deliberations by Members**

5. The Panel on Welfare Services ("the Panel") has discussed about the new policy at its various meetings since January 2017. Questions were also asked by Members at the Council meetings of 8 February 2017, 15 February 2017 and 11 April 2018. The major concerns and views expressed by Members and the responses given by the Administration are summarized in the ensuing paragraphs.

### Justifications for raising the eligible age for elderly Comprehensive Social Security Assistance

6. Members expressed concern that the new policy would adversely affect the standard rates, supplements, special grants, etc. to be received by elderly persons aged between 60 and 64 in the future, and queried the justifications for introducing the new policy. Members also expressed concern that the Administration had not conducted any consultation exercise on the new policy. As the public at large and various political

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<sup>2</sup> The Support for Self-reliance Scheme is a programme under the Comprehensive Social Security Assistance ("CSSA") Scheme which aims to encourage and assist able-bodied CSSA applicants aged 15 to 59 to secure employment to move towards self-reliance while providing them with financial assistance.

<sup>3</sup> See the press release issued by the Administration on 7 January 2019: <https://www.info.gov.hk/gia/general/201901/07/P2019010700454.htm>.

parties had objected to the new policy, Members called on the Administration to withdraw it. At its meetings on 26 January 2017, 13 November 2017 and 12 November 2018, the Panel passed three motions respectively urging the Administration to, inter alia, shelve the new policy. The wording of these motions is in **Appendix I**.

7. The Administration advised that in the light of the improved life expectancy, the new policy aimed to align with the direction of the Administration's population policy to extend retirement age. The participation rate of elderly persons who were aged 65 in the workforce had increased from 7.1% in 2012 to 9.9% in 2016. The Administration would provide support for elderly persons aged above 60 to help them re-join the labour market.

#### Support measures for elderly persons aged between 60 and 64

8. Members asked whether the Administration would enact legislation to provide for a retirement age at 65, so as to enhance the employment protection for those aged between 60 and 64. The Administration advised that there was no statutory retirement age in Hong Kong. However, for some specific occupations where the retirement age of their relevant practitioners was regulated by legislation, the Administration conducted reviews on the retirement age of these practitioners from time to time in view of various social developments.

9. Some Members expressed concern that as elderly persons aged between 60 and 64 were ineligible to apply for most of the welfare benefits for elderly persons, they had to live on their meagre savings. These Members asked whether the Administration would consider lowering the eligible age to 60 in respect of Old Age Living Allowance, Elderly Health Care Vouchers and the Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities. They suggested that the Administration might provide similar welfare benefits for those aged between 60 and 64 through the Community Care Fund.

10. The Administration advised that according to the population projections of the Census and Statistics Department, the number of elderly persons aged between 60 and 64 in 2018 was about 552 000. It was expected that the Administration's financial commitment would be substantially increased if the eligible age for the three schemes mentioned above were lowered to 60. Although the Administration did not plan to lower the age requirement of the three schemes from 65 to 60, it would keep in view the operation of the schemes and introduce improvement measures in a targeted manner at appropriate junctures.

11. Members worried that given elderly persons' age and physical conditions, they might have difficulties in finding jobs and would be adversely affected by the new policy. These Members enquired about the Administration's new measures to help elderly persons aged between 60 and 64 find employment.

12. The Administration advised that in order to help mature persons re-join the labour market, the Labour Department implemented various measures for mature job seekers such as staging large-scale thematic job fairs and district-based job fairs for part-time employment, etc., to facilitate their access to updated employment information and search for suitable job vacancies. In addition, the Employment Programme for the Middle-aged had been enhanced and renamed as the Employment Programme for the Elderly and Middle-aged with effect from 1 September 2018. An on-the-job training allowance of up to \$4,000 per month for a period of six to 12 months would be provided to employers engaging mature job seekers aged 60 or above who had left the workforce or were unemployed. At the same time, the Employees Retraining Board would organize training courses geared towards the employment needs of mature persons, provide trainees (including mature persons) with placement follow-up services upon their completion of placement-tied courses, and organize support services like the "Workplace Re-entry" activity series and the "Work Experience Day", etc., to help mature persons enter the job market.

### **Latest development**

13. At its meeting on 16 January 2019, the Council passed a motion urging the Administration to, inter alia, shelve the new policy.

14. According to the press release issued by the Administration on 18 January 2019,<sup>4</sup> starting from 1 February 2019, a new Employment Support Supplement under the CSSA Scheme will be provided to able-bodied adult recipients aged between 60 and 64 with a view to encouraging them to join the labour market and remain in employment. The amount of supplement will be set at the difference between the monthly CSSA standard rates applicable to singleton able-bodied elderly and singleton able-bodied adult recipients, which is a fixed rate of \$1,060 per person per month from 1 February 2019. The amount will be adjusted annually according to the established mechanism.

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<sup>4</sup> See the press release issued by the Administration on 18 January 2019: <https://www.info.gov.hk/gia/general/201901/18/P2019011800825.htm>.

**Relevant papers**

15. A list of the relevant papers on the Legislative Council website is in **Appendix II**.

Council Business Division 2  
Legislative Council Secretariat  
24 January 2019

**Panel on Welfare Services**

**Motion passed under agenda item I on  
"Briefings by the Secretary for Labour and Welfare and the  
Secretary for Home Affairs on the Chief Executive's 2017 Policy Address"  
at the policy briefing on 26 January 2017**

(Translation)

This Panel strongly requests the Government to maintain the age restriction for the elderly Comprehensive Social Security Assistance at 60, and lower that for the non-means-tested Old Age Allowance to 65.

Moved by : Hon LEUNG Che-cheung  
Seconded by: Hon KWOK Wai-keung

**Panel on Welfare Services**

**Motion passed under agenda item V on  
"Annual adjustment of social security payment rates under the  
Comprehensive Social Security Assistance Scheme and the Social  
Security Allowance Scheme, and issues relating to rent allowance under  
the Comprehensive Social Security Assistance Scheme"  
at the meeting on 13 November 2017**

(Translation)

The Government proposes to raise the eligible age for elderly Comprehensive Social Security Assistance from 60 to 65, which will result in elderly persons aged between 60 and 64 being less favourable in terms of their eligibility<sup>1</sup> as well as the standard rates and special grants, etc. to be received in the future. It also proposes to require them to participate in the Support for Self-reliance Scheme compulsorily. Such proposals, without any prior consultation, are not only impractical but also lack of justifications to support that currently elderly persons aged between 60 and 64 have fewer "basic needs" than before. This Panel urges the Government to shelve these arrangements immediately.

Moved by : Dr Hon Fernando CHEUNG Chiu-hung

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<sup>1</sup> Dr Fernando CHEUNG supplemented after the meeting that raising the eligible age for elderly CSSA would reduce the number of elderly persons who were in need and eligible for elderly CSSA.

**Panel on Welfare Services**

**Motion passed under agenda item IV on  
"Annual adjustment of social security payment rates under the  
Comprehensive Social Security Assistance Scheme and the Social  
Security Allowance Scheme, and issues relating to rent allowance under  
the Comprehensive Social Security Assistance Scheme"  
at the meeting on 12 November 2018**

(Translation)

The Comprehensive Social Security Assistance ("CSSA") system, despite being a major poverty alleviation measure, has not been reviewed for many years. Currently, elderly persons and persons with disabilities account for 80% of CSSA cases. This Panel urges the Government to redefine the basic needs in a scientific way; immediately shelve the arrangement of raising the eligible age for elderly CSSA to 65; allow the elderly and persons with disabilities to apply for CSSA on an individual basis; relax the disregarded earnings arrangements; substantially increase the level of rent allowance; and resume the provision of grants for relocation, dental treatment and spectacles as well as the long-term supplement to able-bodied persons. An overhaul of the CSSA system should brook no delay!

Moved by : Dr Hon Fernando CHEUNG Chiu-hung



**Relevant papers on  
raising the eligible age for elderly Comprehensive Social Security  
Assistance from 60 to 65**

<b>Committee</b>	<b>Date of meeting</b>	<b>Paper</b>
Panel on Welfare Services	26 January 2017 (Item I)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Legislative Council	8 February 2017	<a href="#">Official Record of Proceedings (Pages 59-69)</a>
	15 February 2017	<a href="#">Official Record of Proceedings (Pages 53-57)</a>
Panel on Welfare Services	13 November 2017 (Item V)	<a href="#">Agenda</a> <a href="#">Minutes</a> <a href="#">LC Paper No. CB(2)449/17-18(01)</a>
	12 February 2018 (Item VI)	<a href="#">Agenda</a> <a href="#">Minutes</a>
	19 March 2018 (Item I)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Legislative Council	11 April 2018	<a href="#">Official Record of Proceedings (Pages 97-100)</a>
Special meeting of the Finance Committee to examine the Estimates of Expenditure 2018-2019	20 April 2018	<a href="#">Report on the examination of the Estimates of Expenditure 2018-2019</a>
Panel on Welfare Services	12 November 2018 (Item IV)	<a href="#">Agenda</a> <a href="#">Minutes</a>
Legislative Council	16 January 2019	<a href="#">Wording of the motion passed</a>