政府總部 勞工及福利局 香港添馬添美道 政府總部



LABOUR AND WELFARE BUREAU GOVERNMENT SECRETARIAT

Central Government Offices Tim Mei Avenue Tamar, Hong Kong

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27 February 2019

Clerk to Panel on Welfare Services Legislative Council Complex 1 Legislative Council Road Central Hong Kong Ms Wendy JAN

Dear Ms Jan,

Legislative Council Panel on Welfare Services Follow-up to Meeting on 28 January 2019

At the meeting of the Legislative Council (LegCo) Panel on Welfare Services on 28 January 2019, the Panel requested the Government to provide supplementary information on the Old Age Allowance (OAA). I am authorised to reply as follows.

The ratio of recipients of OAA to the total number of persons aged 70 or above before/after the implementation of the Old Age Living Allowance (OALA)

The means-tested OALA for persons aged 65 or above was launched on 1 April 2013. On the same day, the Social Welfare Department (SWD) ceased to implement the means-tested Normal OAA applicable to persons aged 65 to 69 while continued to provide non-means-tested OAA for persons aged 70 or above.¹

¹ Following the implementation of (Normal) OALA on 1 April 2013, SWD launched the Higher OALA on 1 June 2018. The prevailing monthly rates of Normal OALA and Higher OALA are \$2,675 and \$3,585 respectively. As regards the non-means-tested OAA, its prevailing monthly rate is \$1,385.

As at end of March 2013, there were around 460 000 elderly persons aged 70 or above receiving OAA (accounting for about 63% of the then population in the relevant age group). Meanwhile, there were around 250 000 elderly persons aged 70 or above receiving OAA as at end-December 2018 (accounting for about 29% of the population in the relevant age group at that time). The ratio will increase to 73% after taking into account about 380 000 elderly persons aged 70 or above who were receiving OALA at that time (including about 40 000 recipients of Normal OALA and about 340 000 recipients of Higher OALA).

The estimated additional expenditure involved if the eligible age for OAA is lowered from 70 to 65

In view of an ageing population, the Government has to ensure prudent use of public funds in order to provide targeted support for needy elderly persons. According to the Census and Statistics Department's projection, excluding foreign domestic helpers, the number of elderly persons aged 70 or above would increase from about 0.77 million in 2016 by over a million to about 1.86 million in 2036. In 2066, the number of elderly persons aged 70 or above is projected to reach 2.18 million, which is about three times of that in 2016. In the face of a growing elderly population, the number of OAA beneficiaries and public funds involved would continue to increase. Having considered the sustainability of the social security system, the Government has no plan to lower the age requirement of OAA.

Yours sincerely,

(Miss Carren MAK)

for Secretary for Labour and Welfare