For information on 8 June 2009

LEGCO PANEL ON WELFARE SERVICES

Additional Provision for Social Security Recipients

Purpose

This paper informs Members of the proposal to provide recipients of Comprehensive Social Security Assistance (CSSA) and Social Security Allowance (SSA) with an additional one-month payment.

Background

2. On 26 May 2009, the Financial Secretary announced a package of additional relief measures which include, among other things, the provision of one additional month of the standard rate of CSSA payment to CSSA recipients and one additional month of allowance to SSA (comprising Old Age Allowance (OAA) and Disability Allowance (DA)) recipients. This one-off measure is proposed in consideration of the profound impacts of the financial turmoil and the fact that many at the grassroots level have also been affected.

Proposal

3. Under the CSSA scheme, different standard rates are applicable to different categories of recipients (such as elderly persons, children or able-bodied adults). CSSA recipients will receive a one-off payment equivalent to the monthly standard rate to which they are applicable. Examples of the different standard rates applicable to different categories of recipients are as follows –

Single person able-bodied elderly : \$2,590

Single person able-bodied adult : \$1,830

A 2-member CSSA family comprising : \$5,220

one able-bodied elderly and one 100%

disabled elderly

A 3-member CSSA family comprising : \$5,065

one single parent who is a family carer, and two able-bodied school children

A 4-member CSSA family comprising : \$5,815

two able-bodied adults (the wife being a family carer) and two able-bodied school children

4. SSA recipients will receive one additional month of OAA or DA, the current rates of which are as follows –

OAA : \$1,000

Normal DA : \$1,280

Higher DA : \$2,560

5. We estimate that about 1.1 million recipients, including 480 000 CSSA recipients, 490 000 OAA recipients and 130 000 DA recipients, will benefit from the proposal.

Financial implication

6. The estimated financial implication of the above one-off measure is \$1.8 billion (including \$1.1 billion for CSSA, \$0.5 billion for OAA and \$0.2 billion for DA). Subject to Members' views, we will proceed to seek the approval of the Finance Committee (FC) of the Legislative Council of the necessary financial commitment.

Implementation

7. As the CSSA and SSA Schemes are administrative schemes, no legislative amendment is necessary. Subject to FC's approval, we will implement the proposal as soon as possible.

Labour and Welfare Bureau Social Welfare Department June 2009