

LC Paper No. LS82/11-12

Paper for the House Committee Meeting on 22 June 2012

Legal Service Division Report on Subsidiary Legislation Gazetted on 15 June 2012

Date of tabling in LegCo :	20 June 2012
Amendment to be made by :	2nd meeting of LegCo in the next session (or the 1st meeting after 21 days from the 2nd meeting of the next session if extended by resolution)

Pensions (Increase) Ordinance (Cap. 305) Declaration of Increase in Pensions Notice 2012 (L.N. 105)

Widows and Orphans Pension (Increase) Ordinance (Cap. 205)Widows and Orphans Pension (Increase) Notice 2012(L.N. 106)

L.N. 105 and L.N. 106 are made by the Chief Executive respectively under section 4(1B) of the Pensions (Increase) Ordinance (Cap. 305) and section 3(3) of the Widows and Orphans Pension (Increase) Ordinance (Cap. 205). These Notices respectively declare and specify a 5.7% increase in the following pensions with effect from 1 April 2012 -

- (a) basic pension payable to ex-officers and dependants eligible for pension under various pension ordinances as specified in Schedule 1 to Cap. 305; and
- (b) pensions described in Cap. 205 payable to widows and orphans under the Widows and Orphans Pension Ordinance (Cap. 94).
- 2. Under Cap. 305 and Cap. 205, if the average monthly Consumer

Price Index(A) (Average Index) of a period of 12 months ending on 31 March of a year exceeds the Average Index of the immediately preceding 12 months by more than 0.1%, the Chief Executive shall declare or specify a percentage of increase in the relevant pensions equal to the excess as soon as practicable by notice in the Gazette.

3. According to the Administration, the Average Index of the 12 months ending on 31 March 2012 exceeds the Average Index of the immediately preceding 12 months by 5.7%. In accordance with the provisions in Cap. 305 and Cap. 205, L.N. 105 and L.N. 106 are made to declare and specify a 5.7% increase in the relevant pensions.

4. According to the LegCo Brief (File Ref: CSBCR/AP/4-075-005/5 Pt. 15) issued by the Civil Service Bureau dated 13 June 2012, no consultation with pensioners and dependants is required as pension increase in accordance with increase in the Average Index is a statutory entitlement for pensioners and dependants, and L.N. 105 and L.N. 106 are made in accordance with the relevant statutory provisions as well as established policy and procedures.

5. The Administration has not consulted any LegCo Panel on the two Notices.

6. The effective date as provided in L.N. 105 and L.N. 106 is 1 April 2012. According to the LegCo Brief, the proposed date is in line with the usual practice of effecting a pension increase from 1 April of a year.

7. No difficulties have been identified in the legal or drafting aspects of the Notices.

Prepared by

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