

立法會
Legislative Council

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(These minutes have been
seen by the Administration)

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Panel on Welfare Services

Subcommittee on Issues Relating to the Silver Age Card

**Minutes of the third meeting
held on Tuesday, 13 April 2021, at 9:00 am
in Conference Room 2B of the Legislative Council Complex**

Members present : Hon Wilson OR Chong-shing, MH (Chairman)
Hon YIU Si-wing, BBS
Hon LEUNG Che-cheung, SBS, MH, JP
Hon KWOK Wai-keung, JP
Hon Vincent CHENG Wing-shun, MH, JP

Member attending : Hon SHIU Ka-fai, JP

Public Officers attending : Dr LAW Chi-kwong, GBS, JP
Secretary for Labour and Welfare

Mr Eric LEE Yiu-kwong
Principal Economist (4)
Office of the Government Economist
Financial Secretary's Office

Mr Charles HUI Pak-kwan
Assistant Commissioner (Employment Services)
Labour Department

Mr Jonathan NG Chi-chung
Senior Statistician (Household and Income Statistics)
Census and Statistics Department

Clerk in attendance : Ms Maisie LAM
Chief Council Secretary (2) 3

Staff in attendance : Mr Roger CHUNG
Council Secretary (2) 3

Miss Alison HUI
Legislative Assistant (2) 3

Action

I. Matters arising from the meeting on 26 February 2021
[LC Paper Nos. CB(2)912/20-21(01), (02) and CB(2)950/20-21(01)]

The Subcommittee deliberated (index of proceedings attached at **Annex**).

2. Members noted the letter dated 12 March 2021 from the Chairman to the Secretary for Labour and Welfare ("SLW") (LC Paper No. CB(2)912/20-21(01)) and the Administration's reply letter dated 19 March 2021 (LC Paper No. CB(2)912/20-21(02)).

3. The Chairman informed members that he had met with SLW on 12 March 2021 to discuss the work plan of the Subcommittee and a list of items for discussion (LC Paper No. CB(2)950/20-21(01)) had been prepared on the basis of the discussion. Members agreed on the items to be discussed at and arrangements for future meetings of the Subcommittee as set out in the list.

4. Members agreed to discuss "Progress to incorporate persons aged 60 to 64 under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities" and "Application of technology to facilitate older persons to integrate into the community and age in place" at the fourth meeting of the Subcommittee to be scheduled.

(Post-meeting note: At the request of the Administration and with the concurrence of the Chairman, the discussion of the item "Progress to incorporate persons aged 60 to 64 under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities" has been deferred to the July meeting of the Subcommittee and the discussion of the item "Health status and average healthcare expenditure of persons aged 60 to 64 in Hong Kong" has been advanced to the fourth meeting of the Subcommittee.)

II. The latest employment and retirement situation of persons aged 60 to 64 in Hong Kong and the relevant support measures
[LC Paper Nos. CB(2)950/20-21(02) and (03)]

5. The Subcommittee deliberated (index of proceedings attached at **Annex**).

III. Any other business

6. There being no other business, the meeting ended at 10:22 am.

Council Business Division 2
Legislative Council Secretariat
17 November 2021

**Proceedings of the third meeting of
the Subcommittee on Issues Relating to the Silver Age Card
on Tuesday, 13 April 2021, at 9:00 am
in Conference Room 2B of the Legislative Council Complex**

Time marker	Speaker(s)	Subject(s)/Discussion	Action required
<i>Agenda item I – Matters arising from the meeting on 26 February 2021</i>			
000908 - 001324	Chairman	Opening remarks Members agreed on the items for discussion at and arrangements for future meetings as set out in the list of items for discussion. [LC Paper No. CB(2)950/20-21(01)]	
<i>Agenda item II – The latest employment and retirement situation of persons aged 60 to 64 in Hong Kong and the relevant support measures</i>			
001325 - 001538	Chairman Admin	Members noted the information note prepared by the Legislative Council Secretariat on the subject under discussion. [LC Paper No. CB(2)950/20-21(03)] Briefing by the Administration [LC Paper No. CB(2)950/20-21(02)]	
001539 - 002253	Chairman Mr Vincent CHENG Admin	Noting that consumption vouchers would be issued within a few months after the announcement in the 2021-2022 Budget, Mr Vincent CHENG asked whether there was room to advance the implementation of the lowering of the eligible age of the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities ("Fare Concession Scheme") to 60, which was targeted to be the first quarter of 2022. The Administration advised that the lowering of the eligible age would be implemented on the strict condition that persons aged 60 to 64 had to apply for and use tailor-made Personalized Octopus Cards ("P-Cards") with photo and age eligibility as a prerequisite for benefitting from the concessionary fare. While the Administration would follow up with the Octopus Card Limited ("OCL") and public transport operators ("PTOs") expeditiously on the issue of the tailor-made P-Cards to the some 600 000 new beneficiaries, the start of the application period would be hinged on the technical readiness of OCL and individual PTOs. It was expected that details of the application procedures would be announced in about two months' time when the Administration introduced amendments to Schedule 5 to the Disability Discrimination Ordinance (Cap. 487) to put beyond doubt that the proposed extension of the Fare Concession Scheme (which covered, among others, eligible persons with disabilities) to red minibuses, kaitos and trams upon lowering the eligible age of the Scheme to 60 would not constitute a contravention of the Ordinance. The plan of the Administration was to implement progressively these enhancement measures from the first quarter of 2022.	
002254 - 003143	Chairman Mr LEUNG Che-cheung Admin	Mr LEUNG Che-cheung remarked that the Administration should not drag its feet in implementing measures aimed at promoting the well-being of older persons. He was disappointed that while	

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		<p>the Chief Executive had announced in January 2020 the initiative of lowering the eligible age of the Fare Concession Scheme to 60, the timeline for the implementation of the initiative could only be hammered out upon the release of the review report of the Scheme in January 2021 and that the initiative could only be implemented in the first quarter of 2022. Sharing his experience that the issue of bank co-brand octopus card only took a few days to complete, he cautioned that the long lead time required by OCL to develop and issue the tailor-made P-Cards was due to its near monopoly position in electronic payment systems for transport services and expressed concern about the administrative cost for OCL to issue the some 600 000 tailor-made P-Cards to the new beneficiaries.</p> <p>The Administration stressed that it had undertaken to conduct a comprehensive review of the Fare Concession Scheme to assess its effectiveness and fiscal sustainability when the Scheme was launched in 2012 to facilitate consideration of, among others, whether it should be extended to cover other modes of public transport and measures to prevent abuse. Given the complexity of the issues involved, it took time for the consultant to complete the review. On the time required by OCL for issuing the some 600 000 tailor-made P-Cards, it should be noted that the exercise would be of a much larger scale than banks issuing co-brand octopus cards to individual customers.</p>	
003144 - 004015	Chairman Mr Vincent CHENG Admin	<p>Mr Vincent CHENG noted with concern that statistics of the Administration showed that 73.5% of the employed persons aged 60 to 64 were engaged in lower-skilled occupations in 2020, and many job vacancies posted on the dedicated webpage for the Employment Programme for the Elderly and Middle-aged ("EPEM") on the Interactive Employment Service website were low-skilled jobs with long working hours and extensive manual work. He called on the Administration to encourage employers to place more higher-skilled job vacancies suitable for persons aged 60 or above with the Labour Department ("LD"), and sought information on the number of employers that had received an on-the-job training ("OJT") allowance after the ceiling of the allowance had been raised on 1 September 2020; and the number of employees that had received a retention allowance under EPEM and the maximum and minimum amount involved.</p> <p>The Administration advised that:</p> <p>(a) efforts had been and would continuously be made by LD to canvass job vacancies from employers of different industries. Those employers that had engaged eligible elderly or middle-aged job seekers aged 40 or above to fill full-time or part-time long-term posts registered with LD could join EPEM and apply for OJT allowance. These job vacancies were of different types and included higher- and lower-skilled jobs; and</p> <p>(b) LD launched a three-year pilot scheme in September 2020 to provide a retention allowance to persons who were 60 or</p>	

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		<p>above and had been engaged for three months or above under EPEM ("the retention allowance pilot scheme"). As at end of March 2021, among the 52 applications received, 39 had been approved involving a total amount of retention allowance of about \$133,000, four had been withdrawn or rejected and the remaining nine were being processed. However, it should be noted that some employees had yet to submit their allowance applications as they could apply for the allowance in one-go after finishing the six- to 12-month OJT period.</p> <p>In response to the Chairman and Mr Vincent CHENG's enquiry as to whether a review would be conducted to assess whether the retention allowance had stabilized employment, the Administration advised that as the three-year pilot had only been introduced for a few months, it required more time to fully assess the effectiveness of the pilot scheme before deciding the way forward.</p>	
004016 - 005110	Chairman Mr LEUNG Che-cheung Admin	<p>While noting that the unemployment rate of persons aged 60 to 64 in December 2020 to February 2021 (i.e. 6.9%) was at similar level as that of the total labour force, Mr LEUNG Che-cheung was concerned that 73.5% of the employed persons aged 60 to 64 in 2020 were engaged in lower-skilled occupations. Pointing out that many of these persons were less competitive in the labour market and would become security guards and service workers, he asked whether employment priority would be accorded to persons in this and the older age groups when there were relevant vacancies in the Government (including the outsourced services).</p> <p>The Administration advised that:</p> <p>(a) it was noteworthy that while the overall educational attainment of persons aged 60 to 64 had increased during the period from 1980s to 2000s, there was a downtrend in the labour force participation rate ("LFPR") of these persons in the same period. This reflected that the more educated persons chose not to stay in the labour market upon reaching the age of 60. LFPR of persons aged 60 to 64 started to increase since 2000s due to improved health, with persons who were engaged in elementary occupations inclined to work longer by deferring their retirement. As regards the current generation of persons aged 60 to 64, the proportion of these persons with secondary education was not high as they were not entitled to nine-year free education at that time. As such, the majority of the employed persons aged 60 to 64 were now engaged in lower-skilled occupations; and</p> <p>(b) under the Post-retirement Service Contract Scheme, policy bureaux or government departments had engaged retired civil servants on contract terms to meet their service needs, say, to assist in processing applications for Comprehensive Social Security Assistance. As regards outsourced services, a large proportion of the employees were older persons by virtue of the job nature. To promote the employment of mature job</p>	

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		<p>seekers, LD had implemented a series of measures such as EPEM, the retention allowance pilot scheme and job fairs for the elderly and middle-aged persons. Around 25% of the trainees of the Employees Retraining Board ("ERB") were above 60 years of age.</p>	
005111 - 005951	Chairman Admin	<p>Noting that the population and LFPR of the age group of 60 to 64 was about 590 000 and 47% respectively in 2019, the Chairman enquired about the projections in this regard in the years to come and whether the Administration had planned ahead on the basis of the projections to support the employment of persons aged 60 to 64 to tap on their valuable work experiences.</p> <p>The Administration advised that with the mid-2019 population as the base, the projections of the Census and Statistics Department showed that the population of the age group of 60 to 64 would decline to 536 000 in 2029 when most of the post-war baby boomers had entered the age group of 65 or above. The labour force of persons aged 60 to 64 was projected to remain at 271 500 in 2030 (or a LFPR of 52%) due to continuous improvement in overall health and educational attainment of persons in this age group. It should be noted that while the projection in 2017 was that the total labour force would reach a plateau in 2019 to 2022, it was already decreasing in recent years. This trend, if not addressed properly, would pose an adverse impact on economic growth. Hence, a number of measures had been introduced to encourage mature persons to stay in the labour force longer. The lowering of the eligible age of the Fare Concession Scheme from 65 to 60 and the retention allowance pilot scheme were cases in point.</p> <p>Noting that there were 2 260 placements eligible for joining EPEM in 2020, the Chairman asked about the figure in the first quarter of 2021 and the effectiveness of the enhancement measure introduced in September 2020 to increase the maximum amount of OJT allowance payable to employers engaging job seekers aged 60 or above from \$4,000 to \$5,000 per month per employee. In response, the Administration advised that from January to March 2021, there were 528 placements eligible for joining EPEM. Given that the increase in the amount of OJT allowance had only been implemented for a few months and the effect of the epidemic on the labour market still lingered on, it was too early to assess the effectiveness of the enhancement measure at this stage.</p>	
005952 - 010700	Chairman Mr YIU Si-wing Admin	<p>Mr YIU Si-wing asked whether the Administration had collected statistics on the income level of the employed persons before and after entering the age of 60 to assess whether these persons had a decrease in income since they had to change jobs or accept pay cuts upon entering the age of 60. The Administration replied in the negative, pointing out that cross-sectional but not longitudinal data was collected in the surveys concerned.</p> <p>In view of the ageing population and the longer average life expectancies, Mr YIU Si-wing suggested that the Administration should provide tax incentive to encourage employers to re-employ</p>	

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		<p>retired persons aged 60 or above so as to increase the total labour force. In response, the Administration advised that it would be more appropriate for individual companies to, where necessary, flexibly extend the service of serving staff beyond the companies' retirement age under their own human resources policies so as to adjust their staff mix to meet their operational and succession needs. Separately, to encourage employers to employ those job seekers who were less competitive in the labour market including mature persons, youths and persons with disabilities, LD had implemented EPEM, the Youth Employment and Training Programme and the Work Orientation and Placement Scheme respectively. That said, while suggestions on providing tax incentives to employers were received from time to time, the Administration would not rule out the possibility to reconsider these in the future.</p>	
010701 - 011230	<p>Chairman Mr Vincent CHENG Admin</p>	<p>Expressing concern about the worsening employment situation of persons aged 60 to 64 under the epidemic, Mr Vincent CHENG sought information on the numbers of persons aged 60 to 64 employed under the Job Creation Scheme. The Administration advised that about half of the 31 000 time-limited jobs created under the Scheme were in the non-government sector. It had not collected and had no plan to collect statistics on the age of the employees. Mr Vincent CHENG urged the Administration to study whether persons aged 60 to 64 had benefited from the Scheme, and work out whether certain job types under the Scheme would be particularly suitable for older persons to fill.</p> <p>In response to Mr Vincent CHENG's enquiry about the number of persons aged 60 to 64 who had received training under ERB's Love Upgrading Special Scheme and had secured employment after training, the Administration advised that around 60% of the trainees of ERB's training courses were above 50 years of age. The placement rate of trainees enrolled in the full-time "Vocational Skills" courses under the Love Upgrading Special Scheme was about 80%.</p>	
011231 - 012547	<p>Chairman Admin Mr Vincent CHENG Mr KWOK Wai-keung</p>	<p>The Chairman called on the Administration to lower the eligible age of the Senior Citizen Card Scheme from 65 to 60 and encourage the private companies participating in the Scheme to extend the concessions and discounts they currently offered to persons aged 65 or above to persons aged 60 to 64.</p> <p>The Administration advised that the design of the tailor-made P-Card for Hong Kong residents aged 60 or above to apply in stages would take into account the long-term policy direction of substituting it for the Senior Citizen Card in the future by bearing the age identification function. Its possible plan was to cease the access of the Anonymous Elder Octopus Cards to the Fare Concession Scheme in 2024 when all the 1.3 million existing beneficiaries would have been issued with the tailor-made P-Card. Upon finalizing the implementation details of the above, the Social Welfare Department would consider promoting to private companies the use of the tailor-made P-Card as a proof of age for</p>	

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		<p>persons aged 60 or above to enjoy the concessions or discounts offered by participating organizations (including private companies).</p> <p>Mr Vincent CHENG welcomed the Administration's possible plan to use the tailor-made P-Card to serve as Senior Citizen Card in the future. Holding the view that it would be more convenient for cardholders to use their tailor-made P-Cards for electronic payments when consuming goods or services provided by those organizations offering concessions and discounts to persons aged 60 or above if the relevant outlets were Octopus merchants, he urged the Administration to encourage the outlets concerned to install the Octopus readers or processors. Mr KWOK Wai-keung was of the view that in addition to being an age identification card and a payment card for use under the Fare Concession Scheme, P-Card should be developed as a smart silver age card with multi-application capacity to enable persons aged 60 or above to enjoy various concessions and public services in a digital way.</p> <p>In response to the Chairman's enquiry as to whether government departments (e.g. Housing Department and Leisure & Cultural Services Department) would by then offer discounts or priority service arrangements to persons aged 60 or above, the Administration advised that its elderly care policy was to promote healthy ageing. In terms of welfare initiatives, district elderly community centres and neighbourhood elderly centres currently provided persons aged 60 or above living in the community with a comprehensive package of support services to enable them to lead a healthy and active life. The Labour and Welfare Bureau ("LWB") would continue to keep in view how different policy bureaux would take forward initiatives to promote healthy ageing. Holding the view that arrangements to promote the well-being of persons aged 60 to 64 were currently provided by different policy bureaux in a piecemeal manner, the Chairman called on LWB to conduct a holistic review in this regard. Mr Vincent CHENG remarked that the early implementation of the lowering of the eligible age of the Fare Concession Scheme to 60 would facilitate older persons to remain active in the community.</p>	
<i>Agenda item III – Any other business</i>			
012548 - 012602	Chairman	Closing remarks	