

立法會
Legislative Council

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Panel on Welfare Services

Subcommittee on Issues Relating to the Silver Age Card

Minutes of the fifth meeting
held on Friday, 16 July 2021, at 11:00 am
in Conference Room 3 of the Legislative Council Complex

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

Member absent : Hon LEUNG Che-cheung, SBS, MH, JP

Public Officers attending : Item I

Mr HO Kai-ming, JP
Under Secretary for Labour and Welfare

Ms Reddy NG Wai-lan, JP
Principal Economist (3)
Office of the Government Economist

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

Item II

Ms Ada WONG Wai-han
Chief Social Work Officer (Elderly) 1
Social Welfare Department

Mr Sunny YUNG
Executive Director and Chief Executive Officer
HKMC Annuity Limited

Mr Clement CHAN
Executive Director and Chief Executive Officer
HKMC Insurance Limited

Item III

Dr LAW Chi-kwong, GBS, JP
Secretary for Labour and Welfare

Ms Veronica WONG Hoi-yee
Principal Assistant Secretary for Labour and Welfare
(Welfare)²
Labour and Welfare Bureau

Mr Patrick WONG Chi-kwong
Assistant Commissioner/Management and Paratransit
Transport 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. Poverty situation of persons aged 60 to 64 in Hong Kong and measures to assist these persons**
[LC Paper Nos. CB(2)1212/20-21(01) and (02)]

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

Admin 2. The Subcommittee requested the Administration to provide information on the implementation of:

- (a) dedicated training courses provided by the Employees Retraining Board for persons aged 50 or above and the "Post-50 Internship Programme"; and
- (b) setting up special counters at job centres to provide priority registration and job referral services for mature job seekers.

II. Consumption patterns of persons aged 60 to 64 in Hong Kong and business opportunity of the silver age market
[LC Paper Nos. CB(2)1212/20-21(03) and (04)]

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

III. Progress of incorporating persons aged 60 to 64 under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities
[LC Paper Nos. CB(2)1282/20-21(01) and CB(2)1288/20-21(01)]

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

IV. Any other business

Arrangement for the visit

5 The Chairman reminded members that the Subcommittee would visit the Jockey Club "age at home" Gerontech Education and Rental Service Centre, as well as the Gerontech Cleaning and Maintenance Service Centre on 20 July 2021 from 9:30 am to 1:00 pm to better understand the latest gerontech applications in Hong Kong.

6 Members requested the Administration to participate in the visit to facilitate exchange of views among members, the receiving organizations and the Administration. The Chairman said that the Clerk would follow up with the Administration on the arrangement.

Way forward of the Subcommittee

7 Members noted that all the major issues which members had raised concerns had been discussed by the Subcommittee. Members agreed that this would be the last meeting of the Subcommittee, and the written responses to be provided by the Administration to issues raised at previous meetings and this

meeting would be circulated to members for consideration. Pending the Administration's provision of the written responses, the Subcommittee would conclude its work and a report on the deliberations of the Subcommittee would be prepared for submission to the Panel on Welfare Services. The draft report, once ready, would be circulated to members for consideration.

8 There being no other business, the meeting ended at 12:43 pm.

Council Business Division 2
Legislative Council Secretariat
17 November 2021

**Proceedings of the fifth meeting of
the Subcommittee on Issues Relating to the Silver Age Card
held on Friday, 16 July 2021, at 11:00 am
in Conference Room 3 of the Legislative Council Complex**

Time marker	Speaker(s)	Subject(s)	Action required
<i>Agenda item I – Poverty situation of persons aged 60 to 64 in Hong Kong and measures to assist these persons</i>			
000752 - 001125	Chairman Admin	<p>Opening remarks</p> <p>Members noted the information note prepared by the Legislative Council ("LegCo") Secretariat on the subject under discussion. [LC Paper No. CB(2)1212/20-21(02)]</p> <p>Briefing by the Administration [LC Paper No. CB(2)1212/20-21(01)]</p>	
001126 - 001837	Chairman Admin	<p>Noting that poverty was defined solely by household income under the poverty line framework without taking assets into account and the findings of 2019 revealed that over six-tenths (or 60.1%) of the poor households with members aged 60 to 64 resided in owner-occupied housing, among which near nine-tenths were mortgage-free, the Chairman asked whether the Administration would conduct further analysis to have a clearer and more accurate understanding of the poverty situation of these persons who were of the age of 60 to 64 (e.g. whether they were still engaged in the labour market due to economic difficulties and whether they had joined the HKMC Annuity Plan ("Annuity Plan")) for the formulation of more focused poverty alleviation measures.</p> <p>The Administration advised that:</p> <p>(a) the analytical framework of the poverty line was based on the concept of "relative poverty" which had been widely adopted amongst developed economies such as the Organization for Economic Cooperation and Development. The poverty line adopted the monthly household income before policy intervention as the basis for measurement. It should be noted that since the value of assets owned by individual households or individuals was highly sensitive privacy data, it was technically difficult for the Census and Statistics Department ("C&SD") to collect such data through General Household Surveys ("GHS"). C&SD had tried to do so but information so collected was unreliable as many respondents were reluctant to disclose information about their asset;</p> <p>(b) given the limitation of using household income as the sole indicator for measuring poverty, supplementary analyses had been conducted to enrich the poverty line analysis. For example, to identify "income-poor, owning property of certain value" elders, the property value of the "target households" (i.e. poor non-Comprehensive Social Security Assistance owner-occupier mortgage-free households with all members aged 55 and above) was converted to a monthly receivable life annuity payout based on administrative records from the Rating</p>	

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		<p>and Valuation Department. If the estimated monthly annuity amount receivable by the household was not lower than the respective poverty line threshold, the elders resided therein were identified as "income-poor, owning property of certain value". The impact on key poverty indicators after taking away such elders (as they owned considerable assets and might more likely face no major financial difficulties) could be estimated for supplementary reference; and</p> <p>(c) policies in assisting the disadvantaged had tailor-made coverage which could vary according to their own policy objectives and foci. In view of this, the poverty line was not a "poverty alleviation line" and it should not be taken as the eligibility criteria of any poverty alleviation initiatives. Many of the existing initiatives were means-tested with due regard to both household income and value of assets, and some could not only assist the poor, but also benefit needy groups above the poverty line.</p>	
001838 - 003139	Chairman Mr KWOK Wai-keung Admin	<p>Mr KWOK Wai-keung was of the view that the Administration's poverty analysis might not be able to reflect the true picture of the living standard of many elders. Criticizing the Administration's emphasis on voluntary savings for retirement, he pointed out that the longer life expectancy meant that retirement life of elders could be as long as some 25 years. Since elders did not know how long they would live and were worried about outliving their own savings as there was an absence of a non-means tested universal retirement protection system to provide a steady stream of income, it was not uncommon that elders who were not rich but with some amount of savings would reduce their daily expenses as much as possible ending up in a frugal life in their old age. He called on the Administration to put in place measures to ensure that all elders could lead a worry-free and secured retirement life in their twilight years, including introducing a statutory minimum retirement age to safeguard the employment opportunities of persons aged 60 to 64.</p> <p>The Administration advised that:</p> <p>(a) a retirement protection system should be sustainable and affordable and would not undermine the sustainability of public finances. At present, the retirement protection system in Hong Kong comprised four pillars (i.e. social security schemes being the zero pillar; the Mandatory Provident Fund being the second pillar; voluntary savings being the third pillar; and public services (e.g. public healthcare services) being the fourth pillar) that were complementary to one another in serving the needs of different groups of elders; and</p> <p>(b) there was no statutory retirement age in Hong Kong and the Administration had no plan to introduce one at this stage. To address the longevity risk, Annuity Plan was a means to help retirees transform their savings into lifelong streams of fixed and guaranteed income and to assist them in better retirement financial planning. Separately, the Administration was assessing</p>	

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		whether a more lenient asset limit would be adopted for the means-tested Old Age Living Allowance.	
003140 - 003822	Chairman Mr Vincent CHENG Admin	<p>Noting that certain time-limited jobs under the Job Creation Scheme were created specifically for fresh graduates or especially suitable for young people to apply, Mr Vincent CHENG expressed concern about the lack of targeted support to persons aged 60 to 64 who had difficulties to seek job opportunities amid the epidemic or often had to take up low-skilled jobs with long working hours and extensive manual work. He urged the Administration to step up promoting the Employment Programme for the Elderly and Middle-aged ("EPEM") and eliminating age discrimination in employment, and sought information on the number of persons aged between 60 to 64 that benefited from (a) the dedicated training courses provided by the Employees Retraining Board for persons aged 50 or above and the "Post-50 Internship Programme"; (b) the setting up of special counters at job centres to provide priority registration and job referral services for mature job seekers; and (c) EPEM.</p> <p>The Administration advised that it would provide the requisite information in respect of items (a) and (b) above in writing. In respect of item (c) above, the number of placements eligible for joining EPEM was 3 061 in 2019, 2 260 in 2020 and 1 186 from January to May 2021. Mr Vincent CHENG considered that the above numbers were too small for achieving EPEM's aim of supporting, among others, employment of persons aged 60 to 64.</p> <p>Given the accelerated ageing trend, the Chairman considered that the Administration should take into account the socio-demographic characteristics of the population currently in the age group of 60 to 64, who would soon reach the age of 65 or above, and provide them with appropriate welfare support. The Administration advised that a number of labour and welfare measures applicable to persons aged 60 to 64 had been put in place. EPEM and the various community care and residential care services were cases in point.</p>	Admin
003823 - 004614	Chairman Mr KWOK Wai-keung Admin	<p>Mr KWOK Wai-keung was concerned that the "black violence" incidents and the local epidemic had dealt a heavy blow to the labour market that the unemployment rate had risen from about 2% to about 6%. Hence, older persons had to face greater competition from young people in job seeking and some of them were forced to leave the labour force with their retirement plan duly affected. He asked whether the Administration got hold of the information on the latest unemployment situation of older persons.</p> <p>The Administration advised that in 2020 and the first five months of 2021, there were respectively 41 180 and 22 284 job seekers registered with the Labour Department ("LD") for employment services, among which 4 338 (or 10.5%) and 2 359 (or 10.6%) were aged 60 or above. The numbers of placements secured for job seekers aged 60 or above through LD's employment referral service in the corresponding period were 634 and 392 respectively. As a reference, findings of GHS revealed when comparing the second quarter of 2020 with the first quarter of 2021, the number of</p>	

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		<p>employed persons aged 60 to 64 (excluding foreign domestic helpers) had increased from 257 400 to 264 300, with the labour force participation rate of these people remained steady at around 48% during the period. Meanwhile, there were 21 500 unemployed persons aged 60 to 64 in the first quarter of 2021, 2 100 persons more than that of the second quarter of 2020. The unemployment rate of persons aged 60 to 64 was 7.5% in the first quarter of 2021, which was 0.5% higher than that in the second quarter of 2020.</p>	
<i>Agenda item II – Consumption patterns of persons aged 60 to 64 in Hong Kong and business opportunity of the silver age market</i>			
004615 - 004914	Chairman Admin	<p>Members noted the information note prepared by the LegCo Secretariat on the subject under discussion. [LC Paper No. CB(2)1212/20-21(04)]</p> <p>Briefing by the Administration [LC Paper No. CB(2)1212/20-21(03)]</p>	
004915 - 005621	Chairman Mr Vincent CHENG HKMC Insurance Limited ("HKMCI")	<p>Mr Vincent CHENG sought information about the types of residential properties involved under the Reverse Mortgage Programme ("RMP") and the handling of the property concerned after the passing away of the borrower. Expressing concern about the effectiveness of RMP, he enquired whether more promotion would be made to educating the public on using RMP as an instrument to generate a stable stream of monthly income after retirement.</p> <p>HKMCI advised that over 4 700 applications had been received since the launch of RMP in 2011. In recent years, the average number of applications received was around 600 to 700 per annum. While the number of applications received in 2020 was affected by the epidemic, there was a 40% increase in new applications in the first half of 2021 over the same period of 2020. The range of the property age was from one year to 61 years, with the average property age stood at 30 years. When the borrower passed away, the borrower's personal representative would have the preferential right to redeem the mortgaged property by repaying in full the outstanding loan amount, otherwise the lender would dispose of the mortgaged property in the open market to repay the outstanding loan amount. If there was any shortfall, it would be borne by HKMCI under an insurance arrangement between the lender and HKMCI. Any surplus would be passed to the personal representative of the borrower. The Hong Kong Mortgage Corporation Limited ("HKMC") had just launched the promotion for the "HKMC Retire 3" brand which covered its retirement planning products, namely RMP, the Annuity Plan and the Policy Reverse Mortgage Programme. It was hoped that this new campaign would let more members of the public know about, among others, the benefits of RMP to provide retirees with immediate, stable and lifelong streams of income.</p>	
005622 - 005855	Chairman Admin	<p>Noting that the 2019-2020 Household Expenditure Survey showed that households with members aged 60 to 64 had relatively higher average monthly expenditure on medical services, the Chairman</p>	

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		<p>enquired the types of medical services involved. In response, the Administration advised that the average monthly expenditure on medical services by households with members aged 60 to 64 was \$914 while those of a general household was \$777. However, it did not have on hand information regarding the types of medical services involved.</p> <p>The Chairman remarked that the well-being of persons aged 60 to 64 had long been overlooked. He urged the Administration to provide free or low-cost physical check-up for persons of this age group for prevention of diseases. The Administration said that the suggestion would be relayed to the Food and Health Bureau for consideration.</p>	
005856 - 010521	Chairman Mr Vincent CHENG Admin	<p>Mr Vincent CHENG opined that the Consumption Voucher Scheme had encouraged more elders adopting electronic payments via Octopus cards and more merchants becoming Octopus merchants. Referring to the arrangement that new beneficiaries aged 60 to 64 could use the tailor-made Personalized Octopus Cards titled JoyYou Cards to enjoy the concessionary fare under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities ("the Fare Concession Scheme") starting from 27 February 2022 and the Administration's policy direction of substituting JoyYou Card for the Senior Citizen Card in the future, he enquired about the Administration's plan in this regard.</p> <p>The Administration advised that after the lowering of the eligible age of the Fare Concession Scheme to 60, the work priority would be to complete the issue of Personalized Octopus Card (i.e. JoyYou Card) for some 1.4 million elderly aged 65 or above by around 2024. The Anonymous Elder Octopus Cards would then cease to have access to the Fare Concession Scheme. The Social Welfare Department ("SWD") might then explore promoting to the entities participating in the Senior Citizen Card Scheme the use of JoyYou Card as a proof of age for persons aged 60 or above to enjoy the concessions or discounts being offered under the Senior Citizen Card Scheme.</p> <p>Mr Vincent CHENG considered that the Administration could start inviting entities participating in the Senior Citizen Card Scheme to extend the concessions and discounts they offered to persons aged 60 to 64 in tandem with the upcoming exercise to issue JoyYou Cards to the new beneficiaries of the Fare Concession Scheme. Noting that there were only 2 700 organizations and companies participating in the Senior Citizen Card Scheme, the Chairman asked SWD whether, and if so, how it would encourage more entities to participate in the Senior Citizen Card Scheme. The Administration advised that efforts had been and would continuously be made in this regard through various channels. For instance, the Senior Citizen Card Office of SWD would actively contact those business sectors that were closely related to the daily lives of elders, such as the healthcare, catering and retail sectors, to join the Senior Citizen Card Scheme. A joint concession programme with the local catering and retail sectors to offer special concessions and discounts to Senior Citizen Card holders was organized on the Senior Citizens</p>	

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		Day on 15 November 2020, with over 1 400 outlets across the territory participated in the programme.	
010522 - 010820	Chairman Mr Vincent CHENG HKMC Annuity Limited ("HKMCA")	On Mr Vincent CHENG's enquiry about the upcoming promotion activities for Annuity Plan, HKMCA advised that there was an increase of 56% in the total premiums received in 2020 as compared with 2019. In the first half of 2021, there was an increase of 70% in the total premium received when compared to the same period in 2020. HKMCA would continue to step up its education and outreach efforts in relation to life annuity, such as promoting the concept of life annuity and longevity risk management to the target segments through different channels, including roving exhibitions and seminars. The above apart, following the launch of the "HKMC Retire 3" branding campaign, customers who successfully applied for Annuity Plan during the specified promotion period would be offered a premium discount of up to an amount equivalent to 2% of the Mandatory Provident Fund Schemes account balance.	
<i>Agenda item III – Progress of incorporating persons aged 60 to 64 under the Government Public Transport Fare Concession Scheme for the Elderly and Eligible Persons with Disabilities</i>			
010821 - 011227	Chairman Admin	Members noted the background brief prepared by the LegCo Secretariat on the subject under discussion. [LC Paper No. CB(2)1288/20-21(01)] Briefing by the Administration [LC Paper No. CB(2)1282/20-21(01)]	
011228 - 011600	Chairman Mr Vincent CHENG Admin	Noting that eligible persons aged 60 to 64 had to submit their applications for JoyYou Card via the Octopus App or by post (with paper application forms obtainable at over 330 distribution points), Mr Vincent CHENG and the Chairman suggested that all Mass Transit Railway stations should serve as collection points for paper applications to provide greater convenience to applicants. In response, the Administration advised that persons aged 60 to 64 should not have great difficulties to submit applications via electronic means. Those who preferred to submit paper applications could return the completed forms by post. Mr Vincent CHENG asked whether there was room to compress the timetable for issuing JoyYou Cards to new beneficiaries aged 60 to 64. The Administration advised that the arrangement of designating a whole month application period for each of the relevant years of birth (i.e. 1957, 1958, 1959, 1960 and 1961), each involved around 100 000 new beneficiaries, could provide a clear application timetable to the applicants concerned and ensure orderly processing of the applications. The Octopus Cards Limited had undertaken to send the JoyYou Card to the applicant within four weeks upon receipt of the application.	
011601 - 012208	Chairman Mr KWOK Wai-keung Admin	Mr KWOK Wai-keung cautioned that the decrease in fare revenue of the Hong Kong Tramways Limited due to the drop in patronage for tramways upon the implementation of the measures of lowering the eligible age to 60 and extending the coverage to more public transport modes under the Fare Concession Scheme would	

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		<p>out-weight the amount of reimbursement the company would receive from the Administration under the extended Fare Concession Scheme. To maintain the competitiveness of tram service and preserve tramways' cultural value, he urged the Administration to provide subsidies to the extent to allow free ride for eligible persons under the Fare Concession Scheme.</p> <p>The Administration advised that a uniform flat rate of \$2 per trip was adopted under the Fare Concession Scheme. The extension of the coverage of the Fare Concession Scheme to include tramways in tandem with the lowering of the eligible age of the Fare Concession Scheme to 60 would ensure that the latter measure would not have a negative impact on the operation of tramways as passengers aged 60 to 64 would only need to pay \$2, instead of the original fare of \$2.6, per trip. It would observe the impact of the extended Fare Concession Scheme on the patronage of tramways after its implementation.</p>	
012209 - 013000	Chairman Admin	<p>The Chairman urged the Administration to step up publicity of the application for JoyYou Cards, include estate management offices of public rental housing estates as distribution points for paper application forms, and avoid abusive use under the Fare Concession Scheme. The Administration advised that the arrangement that the 210-odd district elderly community centres, neighbourhood elderly centres and social centres for the elderly subvented by the Administration would serve as distribution points for paper application forms had ensured that a distribution point would be available within 200 metres from the residence of over 95% of the older persons. It would consider the suggestion, albeit that a further increase in the number of distribution points might result in serious wastage of paper. On the prevention of abusive use under the Fare Concession Scheme, it was expected that the design of JoyYou Card which carried the name and photo of the eligible beneficiaries would facilitate the identification and inspection work in the future.</p> <p>The Chairman held the view that in addition to being an age identification and payment card under the Fare Concession Scheme, JoyYou Card should be developed as a smart silver age card with multi-application capacity to enable persons aged 60 or above to enjoy the concessions and discounts under the Senior Citizen Card Scheme as well as various public services in a digital way (e.g. access to services of Elderly Health Centres). The Administration reiterated that the opportune time for it to consider the way forward of the Senior Citizen Card was when all persons aged 65 or above had been issued with a JoyYou Card. That said, the decision of whether to extend the relevant concessions or discounts to persons aged 60 to 64 rested with the participating organizations and companies of the Senior Citizen Card Scheme.</p>	
013001 - 014325	Chairman Mr Vincent CHENG Admin	<p>Given the serious abuse of the Fare Concession Scheme, Mr Vincent CHENG expressed concern about the effectiveness of the existing measures and penalty level to deter abusive use under the Fare Concession Scheme. He urged the Administration to make use of technology to enhance its work in this regard. The Chairman</p>	

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		<p>enquired whether the Administration had issued guidelines to participating public transport operators requiring them to take steps to prevent abuse of the Fare Concession Scheme.</p> <p>The Administration advised that the Transport Department ("TD") had collaborated with various public transport operators to arrange field surveys to monitor the usage of the Fare Concession Scheme. TD had also requested the participating public transport operators to strengthen ticket inspections, and to enforce against abuse use in accordance with the relevant regulations and by-laws. Non-eligible passengers who were found travelling at the concessionary fare were required to pay a surcharge and/or the shortfall. Depending on the circumstances, the public transport operators might initiate prosecutions or refer individual cases to the Police for follow-up action. Persons would be liable on conviction to a fine ranged from \$2,000 to \$5,000 and to imprisonment. Upon the implementation of the requirement that the new beneficiaries had to use the JoyYou Card to enjoy the concessionary fare, TD would monitor the situation and continue to explore, where necessary, further anti-abuse measures. On the use of technology to deter abusive use under the Fare Concession Scheme, there was a need to consider the privacy and cost effectiveness issues associated with such measures.</p> <p>Mr Vincent CHENG urged the Administration to, in tandem with the issue of JoyYou Cards, kick start the preparation work for the use of JoyYou Card to substitute the Senior Citizen Card. The Administration advised that having taken into account the experience of issuing JoyYou Card to persons aged 60 to 64, the arrangement for the some 1.4 million existing beneficiaries of the Fare Concession Scheme who were at the age of 65 or above to apply for JoyYou Card would be announced in the first quarter of 2022. To avoid creating confusion to the public, it would consider the way forward of the Senior Citizen Card when all persons aged 65 or above had been issued with a JoyYou Card. The Chairman called on the Administration to strengthen publicity, in particular on the online platform, of the application arrangement for the JoyYou Card.</p>	
<i>Agenda item IV – Any other business</i>			
014326 - 014646	Chairman Mr Vincent CHENG	Arrangement for the visit Way forward of the Subcommittee	