

LCQ11: Old Age Living Allowance

Following is a question by the Hon Lillian Kwok and a written reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (June 14):

Question:

Since September last year, the Social Welfare Department (SWD) has merged the Normal Old Age Living Allowance (Normal OALA) and Higher Old Age Living Allowance (Higher OALA) to provide a flat-rate Old Age Living Allowance (OALA). In this connection, will the Government inform this Council:

(1) of the number of elderly persons whose OALA rates have increased after the merger of Normal OALA and Higher OALA; the expenditure involved in the Government's disbursement of OALA in each of the past three financial years;

(2) of the number of OALA applications in which the SWD has conducted random checks and reviews in each of the past five years, and the number of applications cancelled after being found to have failed to meet the relevant income and asset limits; and

(3) whether the Government has taken measures to step up publicity on the Guangdong Scheme and the Fujian Scheme, and provided ways to facilitate applications for such schemes; if so, of the details; if not, the reasons for that?

Reply:

President,

(1) The Social Welfare Department (SWD) merged the Normal and Higher Old Age Living Allowances (OALAs) with effect from September 2022. The merged OALA adopts the more relaxed asset limits of Normal OALA and the payment rate of Higher OALA. About 54 000 elderly persons who received Normal OALA before the merger benefitted from this measure.

The expenditure on Normal and Higher OALAs from 2020-21 to 2021-22, and the expenditure on OALA in 2022-23 are as follows:

Type of Allowance	Expenditure (Note) (\$ million)		
	2020-21 (Actual)	2021-22 (Actual)	2022-23 (Revised estimate)
Higher OALA	25,972	27,109	32,726
Normal OALA	1,769	1,748	
Total Expenditure	27,741	28,857	

Note: The actual expenditure for 2020-21 includes the payment of an additional one-month of the allowances in the year. The actual expenditure for 2021-22 includes the payment of an additional half-month of the allowances in the year. The revised estimate of expenditure for 2022-23 includes the payment of an additional half-month of the allowances in the year.

(2) The SWD has regularly conducted reviews for OALA cases on a basis of six-year review cycle since 2019-20 (Note 1). Within each review cycle, the SWD conducts a full review and a postal review for all OALA recipients. The process of full review includes interviews with the recipients in SWD's office and home visits as necessary for verifying the recipients' eligibility for receiving payment. In the past four years, the number of OALA case reviews are as follows:

Year	Number of case reviews completed	Number of cases not meeting income and asset limits
2019-20	170 887	1 663
2020-21	178 885	2 088
2021-22	150 097 (Note 2)	703
2022-23	50 696 (Note 3)	83

Note 1: The SWD conducted reviews for OALA cases from time to time before 2019-20.

Note 2: Due to the epidemic, the number of completed case reviews in 2021-22 was slightly reduced.

Note 3: In 2022-23, the SWD originally planned to conduct case reviews for 173 463 cases. However, the progress was disrupted due to the epidemic. The SWD will continue to conduct case reviews for the remaining 122 767 cases in 2023-24.

In case recipients could not meet the income and/or asset limits, the SWD will recover overpayment from the recipients as necessary, and/or recommend the persons concerned to apply for other suitable allowances.

(3) The SWD has set up thematic websites about the Guangdong (GD) Scheme and the Fujian (FJ) Scheme to provide online application forms and information such as eligibility criteria, application procedures and frequently-asked questions. From time to time, the SWD also promotes the two schemes through various channels, e.g. TV and Radio Announcements in the Public Interest, promotional videos on cross boundary coaches, newspaper advertisements, and posters at MTR stations and community facilities. In addition, the Hong Kong Economic and Trade Office in Guangdong and SWD's agent in the Mainland would assist in promotion through their websites, WeChat official accounts and office/service centre networks.

The SWD has provided electronic forms since July 2021 to facilitate online submission of applications for the GD and FJ Schemes. If elderly persons are unable to travel to Hong Kong due to health reasons, SWD's agent

in the Mainland will conduct home visits and assist them in completing the application without returning to Hong Kong.