

Social security payment rates to be raised with retrospective effect from February 1

The Social Welfare Department (SWD) announced today (March 23) that the annual adjustment to the standard payment rates under the Comprehensive Social Security Assistance (CSSA) Scheme and the rates of allowances under the Social Security Allowance (SSA) Scheme, namely Old Age Allowance (OAA) (including OAA under the Guangdong (GD) Scheme and the Fujian (FJ) Scheme), Old Age Living Allowance (OALA) (including OALA under the GD Scheme and the FJ Scheme) and Disability Allowance, would take retrospective effect from February 1 this year.

An SWD spokesman said, "Based on the established adjustment mechanism, i.e. according to the movement of the Social Security Assistance Index of Prices, the Government earlier proposed to raise the above rates by 2.6 per cent (see Annex I). The Legislative Council Finance Committee on February 25 this year approved the proposal, which would take retrospective effect from February 1. Back payment will be issued in batches from tomorrow (March 24) through the existing payment method, that is, normally, through payments credited to recipients' designated bank accounts. An additional expenditure of approximately \$1.6 billion per year will be incurred for the adjustment, benefitting more than 1.4 million recipients of the above Schemes."

The spokesman added, "According to the established mechanism, the maximum rent allowance (MRA) under the CSSA Scheme should be reduced with effect from February 1 this year, based on the movement of the Consumer Price Index (A) rent index for private housing. Considering that CSSA recipients are one of the most economically vulnerable groups amid the pandemic, the Government has decided that the MRA be maintained at the current levels (see Annex II)."

CSSA and SSA recipients who have enquiries may contact their respective social security field units or call the SWD hotline at 2343 2255.