

LCQ17: Unleashing elderly labour force

â€‹Following is a question by the Hon Lee Chun-keung and a written reply by the Secretary for Labour and Welfare, Mr Chris Sun, in the Legislative Council today (February 26):

Question:

â€‹According to the statistics of the Census and Statistics Department, the proportion of elderly persons aged 65 or above accounts for about 23 per cent of Hong Kong's total population in 2023. There are views that while the silver-haired group is a huge potential labour force in society, it is learnt that at present, elderly persons aged between 65 and 70 living with their family in public rental housing (PRH) flats will have their income counted towards the PRH income limits, and the monthly income limit for the Old Age Living Allowance (OALA) is \$10,770 for a single person, which in effect hinder elderly persons from engaging in employment. In this connection, will the Government inform this Council:

(1) of the number of elderly persons aged 65 or above in the labour force and their average monthly income over the past five years;

(2) whether it has plans to relax the PRH income limit requirements for households with elderly members, for example, excluding the income of elderly members aged between 65 and 70 when calculating the income limit for such households; if so, of the details; if not, the reasons for that;

(3) whether it has considered relaxing the monthly income limit requirements for OALA recipients, so as to increase the incentive for the elderly to rejoin the workforce; if so, of the details; if not, the reasons for that; and

(4) of the future plans to unleash the elderly labour force in Hong Kong and encourage employers to consider hiring more elderly persons?

Reply:

President,

â€‹The Government is committed to encouraging and promoting the employment of older persons. In response to the Member's question and after consulting the Housing Bureau and the Census and Statistics Department (C&SD), a consolidated reply is provided as follows:

(1) According to survey results of the General Household Survey of the C&SD, the statistical figures for the labour force and median monthly employment earnings of employed persons aged 65 and over in Hong Kong from 2019 to 2023 (excluding foreign domestic helpers) are listed at Annex.

(2) Under the "Well-off Tenants Policies" of the Hong Kong Housing Authority

(HA), public rental housing (PRH) tenants who have been residing in PRH for ten years or more are required to declare their income, assets and whether they own any domestic property in Hong Kong biennially. The income and asset limits for ordinary households are set according to the household size. Under the existing policy, a PRH household will only be required to vacate their flat if their average monthly household income exceeds five times the prevailing income limit for PRH. For example, a four-person household with a monthly income limit of about \$150,000 is required to vacate their flat. If all members of the same PRH flat are aged 60 or above, they are exempted from the "Well-off Tenants Policies" and are not required to declare their income and assets. The above exemption has been set up in recognition of the fact that retirees and near-retirees may need to rely on their savings and assets to support themselves in the future, and thus a more lenient standard has been adopted. We have no plan to further relax the existing arrangement for the time being.

(3) As part of Hong Kong's social security system, the Old Age Living Allowance (OALA) aims to supplement the living expenses of elderly persons aged 65 or above in need of financial support. OALA recipients are not required to make any contributions, but must pass a means test by meeting income and asset limits. The Government adjusts the income and asset limits annually in accordance with an established mechanism. In addition, the Normal OALA and the Higher OALA have been merged since September 2022 with more lenient asset limits adopted across-the-board. This allows elderly recipients to retain more assets, while receiving the payment rate of Higher OALA. Mindful of targeting finite welfare resources at the needy elderly, the Government has no plan to relax the income limits of the means test for the OALA at this stage.

(4) With a view to supporting the employment of older persons and encouraging employers to engage older employees, the Government will continue strengthening the provision of training and employment services as well as staging publicity and promotion, which include:

(i) The Employees Retraining Board (ERB) provides around 700 market oriented training courses straddling across 28 industries and generic skills for eligible persons including older persons. The ERB also provides training courses which gear towards the employment needs of older persons aged 50 or above to encourage the potential workforce to enter the labour market. Apart from general training courses, the ERB organises the Post-50 Internship Programme for older persons aged 50 or above to facilitate their understanding of the current employment market situation. Under the "Hire and Train" Scheme, the ERB encourages the participating employers to provide suitable job vacancies for trainees (including persons who have recently retired), adjust the working hours and leave arrangements to cater for trainees' family and personal situations, and provide on-the-job training and other related support measures so as to encourage the potential workforce to enter the labour market. The ERB will continue to implement these measures, and explore the provision of more measures that meet the market demand to support older persons with training and employment needs.

(ii) The Labour Department (LD) provides diversified employment services to

job seekers including older persons, and launched the three-year Re-employment Allowance Pilot Scheme (REA Scheme) on July 15 last year to encourage older or middle-aged persons aged 40 or above who have not been in paid employment for three consecutive months or more to re-join the labour market. The REA Scheme covers full-time jobs, part-time jobs, and qualified "casual work" promoting flexible employment for older and middle-aged persons. During the implementation period of the Scheme, each eligible participant who has worked for 12 consecutive months can receive a maximum re-employment allowance of \$20,000. As at end-January 2025, the REA Scheme recorded over 32 000 participants and over 12 000 placements. Of which, about 23 per cent of participants and 24 per cent of placements are older persons aged 60 or above. The response is very favourable. The re-employment allowance is not counted as income under the means test for the OALA.

In tandem with the REA Scheme, the LD implements the Employment Programme for the Elderly and Middle-aged (EPEM) to encourage employers to hire persons aged 40 or above and provide them with on-the-job training (OJT). Employers engaging each job seeker aged 60 or above who has left the workforce can receive a maximum OJT allowance of \$5,000 per month for six to 12 months, while engaging each unemployed job seeker aged 40 to 59 is entitled to a maximum OJT allowance of \$4,000 per month for three to six months. EPEM covers all industries, as well as full-time and part-time jobs. The Government welcomes employers taking on participants of the REA Scheme to join the EPEM.

(iii) The Government will continue to encourage employers, having regard to their individual circumstances, to adopt elderly-friendly employment practices to facilitate more older persons to stay in or re-join the labour market.