

## Hong Kong

Exchange rate: U.S.\$1.00 equals  
7.80 Hong Kong dollars (HK\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1971 (social assistance); 1973 (universal old-age and disability allowance); 1978 (means-tested old-age supplement); 1980 (means-tested disability supplement); 1988 (means-tested old-age allowance, universal higher-rate disability allowance); 1993 (comprehensive social security assistance, social security allowance); and 1995 (mandatory provident fund schemes), implemented in 2000 with 2002 amendment.

**Type of program:** Universal old-age pension and means-tested social assistance system with mandatory occupational individual accounts (mandatory provident fund schemes).

Note: Although the mandatory occupational individual accounts operate under the name of mandatory provident fund schemes, the schemes are privately run and should not be confused with the publicly run national provident fund institutions found in other countries in the Asia and Pacific region.

#### Coverage

**Universal old-age pension and means-tested social assistance system:** Residents.

**Mandatory occupational scheme:** All employees and the self-employed between ages 18 and 65.

Exclusions: Self-employed hawkers, persons covered by statutory pension or provident fund schemes such as civil servants, members of occupational retirement schemes who are granted exemption certificates, and people from overseas working in Hong Kong for less than 13 months or who are covered by overseas retirement schemes.

#### Source of Funds

##### Insured person

**Universal old-age pension and means-tested social assistance system:** None.

**Mandatory occupational scheme:** A minimum of 5% of earnings between lower (HK\$4,000) and upper (HK\$20,000) limits, plus any voluntary contributions.

##### Employer

**Universal old-age pension and means-tested social assistance system:** None.

**Mandatory occupational scheme:** A minimum of 5% of earnings up to an upper limit (HK\$20,000), plus any voluntary contributions.

#### Government

**Universal old-age pension and means-tested social assistance system:** Total cost.

**Mandatory occupational scheme:** None.

#### Qualifying Conditions

##### Old-age allowance

**Lower-rate allowance:** Residents aged 65 to 69 with 5 years of continuous residence. Income-tested and asset-tested.

**Higher-rate allowance:** Residents aged 70 and older with 5 years of continuous residence.

**Old-age benefit (mandatory occupational scheme):** Age 65 (men and women).

Early retirement: Age 60 (men and women) if ceasing employment permanently.

##### Disability allowance

**Lower-rate allowance:** Residents with 1 year of continuous residence and a 100% loss of earning capacity or profoundly deaf.

**Higher-rate allowance:** Residents with 1 year of continuous residence and a 100% loss of earning capacity or profoundly deaf, certified to be in need of constant attendance, and not residing in a government-owned (or government-subsidized) residential institution.

##### Disability benefit (mandatory occupational scheme):

Totally incapable of work.

**Comprehensive social security assistance:** Residents aged 60 and older or disabled with at least 1 year of residence. Income-tested and asset-tested.

**Funeral grant:** For recipients of comprehensive social security assistance.

**Survivor benefit (mandatory occupational scheme):** The death of the scheme member before retirement.

#### Old-Age Benefits

**Old-age allowance:** HK\$625 a month (lower rate) or HK\$705 a month (higher rate).

**Comprehensive social security assistance:** From HK\$2,160 to HK\$4,670 a month for a single person or from HK\$1,965 to HK\$4,315 a month per person in a family, depending on the category of the recipient; plus special grants to meet the specific individual needs of recipients.

**Old-age benefit (mandatory occupational scheme):** Total employee and employer contributions plus accrued interest paid as a lump sum.

#### Permanent Disability Benefits

**Disability allowance:** HK\$1,260 a month (lower rate) or HK\$2,520 a month (higher rate).

**Comprehensive social security assistance:** From HK\$2,160 to HK\$4,670 a month for a single person or from HK\$1,965 to HK\$4,315 a month for each dependent family member, depending on the category of the recipient; plus special grants to meet the specific individual needs of recipients.

**Disability benefit (mandatory occupational scheme):** Total employee and employer contributions plus accrued interest paid as a lump sum.

### **Survivor Benefits**

**Funeral grant (comprehensive social security assistance):** A lump sum of HK\$10,880.

**Survivor benefit (mandatory occupational scheme):** The named survivor receives the total employee and employer contributions plus accrued interest paid as a lump sum.

### **Administrative Organization**

**Universal and means-tested social assistance system:** Social Welfare Department administers the program.

**Mandatory occupational scheme:** Under the direction of an executive director and an advisory committee, the Mandatory Provident Fund Schemes Authority (MPFSA) supervises mandatory provident fund schemes. The MPFSA is responsible for ensuring that approved trustees administer the mandatory provident fund schemes in a prudent manner.

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First laws:** 1968 (employer liability) and 1971 (social assistance).

**Current law:** 1997.

**Type of program:** Dual employer-liability (cash benefits only) and social assistance system.

#### **Coverage**

Employees (employer-liability program); residents (comprehensive social security assistance).

#### **Source of Funds**

**Insured person:** None.

**Employer:** Total cost of the employer-liability program.

**Government:** Total cost of the comprehensive social security assistance program.

#### **Qualifying Conditions**

**Cash sickness benefit:** One month of continuous employment.

**Cash maternity benefit:** Forty weeks of continuous employment.

**Comprehensive social security assistance:** Residents aged 15 to 59 with at least 1 year of residence and medically certified to have limited working capacity. Income-tested and asset-tested.

### **Sickness and Maternity Benefits**

**Sickness benefit:** 80% of the insured's wage for up to 120 days. Benefit is payable after a 3-day waiting period.

**Maternity benefit:** 80% of the insured's wage payable for 10 weeks. Benefit is payable from 2 to 4 weeks before the expected date of childbirth; for a premature birth, benefit is payable from the date of childbirth.

**Comprehensive social security assistance:** From HK\$2,160 to HK\$4,670 a month for a single person or from HK\$1,965 to HK\$4,315 a month per person in a family, depending on the category of the recipient; plus special grants to meet the specific individual needs of recipients.

### **Workers' Medical Benefits**

**Medical benefits:** None. (Low-cost medical care is available in public hospitals.)

**Comprehensive social security assistance:** Free medical care in public hospitals.

### **Administrative Organization**

Labor Department administers the employer-liability program. Social Welfare Department administers the social assistance program.

### **Work Injury**

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#### **Regulatory Framework**

**First laws:** 1953 (employer liability) and 1971 (social assistance).

**Current law:** 2000.

**Type of program:** Dual employer-liability and social assistance system.

#### **Coverage**

Employees (employer-liability program); residents (comprehensive social security assistance).

#### **Source of Funds**

**Insured person:** None.

**Employer:** Total cost of the employer-liability program.

**Government:** Total cost of the comprehensive social security assistance program.

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

**Comprehensive social security assistance:** Resident for at least 1 year and medically certified to have limited working capacity. Income-tested and asset-tested.

### **Temporary Disability Benefits**

**Temporary disability benefit:** 80% of the difference between earnings before and after the onset of disability. Benefit is payable for up to 36 months.

**Comprehensive social security assistance:** From HK\$1,805 to HK\$3,955 for a single person or from HK\$1,290 to HK\$3,590 a month per person in a family, depending on the category of the recipient; plus special grants to meet the specific individual needs of recipients.

### **Permanent Disability Benefits**

**Permanent disability grant:** For total disability, a lump sum of between 48 and 96 months' earnings, according to the age of the employee.

The minimum lump sum is HK\$344,000.

The maximum lump sum is HK\$2,016,000.

**Constant-attendance supplement:** A lump sum or periodic payments for up to 2 years.

The maximum supplement is HK\$412,000.

**Partial disability:** A percentage of the full benefit proportionate to the degree of incapacity, according to the schedule.

**Comprehensive social security assistance:** From HK\$1,805 to HK\$3,955 for a single person or from HK\$1,290 to HK\$3,590 for each dependent family member, depending on the category of the recipient; plus special grants to meet the specific individual needs of recipients.

### **Workers' Medical Benefits**

Medical examination, treatment, and appliances.

### **Survivor Benefits**

**Survivor grant:** A lump sum of between 36 and 84 months of the insured's earnings, according to the insured's age at the time of death.

The minimum lump sum is HK\$303,000.

The maximum lump sum is HK\$1,764,000.

**Funeral grant:** A lump sum of HK\$35,000.

### **Administrative Organization**

Labor Department administers the employer-liability program.

Social Welfare Department administers the social assistance program.

### **Unemployment**

#### **Regulatory Framework**

**First and current law:** 1977.

**Type of program:** Social assistance system.

#### **Coverage**

Residents.

#### **Source of Funds**

**Insured person:** None.

**Employer:** None.

**Government:** Total cost.

### **Qualifying Conditions**

**Comprehensive social security assistance:** Residents between ages 15 and 59 with at least 1 year of residence, who are actively seeking paid employment and who have joined the Support for Self Reliance scheme of the Social Welfare Department. Income-tested and asset-tested.

### **Unemployment Benefits**

**Comprehensive social security assistance:** HK\$1,805 a month for a single person or from HK\$1,290 to HK\$1,610 a month per person in a family, depending on the category of the recipient; plus special grants to meet the specific individual needs of recipients.

### **Administrative Organization**

Social Welfare Department administers the program.

### **Family Allowances**

#### **Regulatory Framework**

**First and current law:** 1971.

**Type of program:** Social assistance system.

#### **Coverage**

Residents.

### ***Source of Funds***

**Insured person:** None.

**Employer:** None.

**Government:** Total cost.

### ***Qualifying Conditions***

**Comprehensive social security assistance:** One year of residence. Benefit is payable for children younger than age 15; ages 15 to 21 if in full-time education. Income-tested and asset-tested.

### ***Family Allowance Benefits***

**Comprehensive social security assistance:** From HK\$1,435 to HK\$4,315 a month, depending on the category of the recipient; plus special grants to meet the specific individual needs of recipients.

### ***Administrative Organization***

Social Welfare Department administers the program.