

## **SLW and Acting SFST on Old Age Living Allowance**

Wednesday, October 31, 2012

Following is the transcript of remarks by the Secretary for Labour and Welfare, Mr Matthew Cheung Kin-chung, and the Acting Secretary for Financial Services and the Treasury, Ms Julia Leung, at a media session on the Old Age Living Allowance this morning (October 31):

Reporter: Ms Leung, can you explain why there is a difference between civil service payment and this funding request? Why is it that they can get back pay and you cannot? For Mr Cheung, when would you actually table the item again to the Finance Committee? Is it going to be this Friday?

Acting Secretary for Financial Services and the Treasury: As to the retrospective arrangement of this Finance Committee's decision, when it has to do with a new funding proposal, like the Old Age Living Allowance, we follow the principle that when the Finance Committee has agreed and has approved the proposal then we can start using the funding. So in all of our welfare-related expenses and proposals, it will follow this fiscal discipline. When there is a retrospective arrangement, it has mainly to do with regular adjustments. When there is an annual adjustment of pay rises of civil servants, for example, we all have a fixed date for the adjustment, like April 1. And as there is time needed to go through the consultative procedures before going to Finance Committee and by the time of Finance Committee's approval, say in July, we would back date to April 1.

Secretary for Labour and Welfare: We will respect the decision of the Finance Committee last night and go back on November 16 as advised by the Chairman last night. We will stick to the timetable and hope the proposal could be approved at that meeting without further delay. This is my sincere appeal.

(Please also refer to the Chinese portion of the transcript.)

Ends