

爭取全民退休保障聯席

「全民養老金方案」公眾諮詢文件



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前言

諮詢公眾 建立共識

- 1 「爭取全民退休保障聯席」（以下簡稱「聯席」）於2004年成立，現由80多個不同類別的民間團體組成，包括基層團體、工會、婦女、長者、殘疾人士、青年、宗教及社福機構。聯席成立目的是為爭取政府盡快制訂全民退休保障的政策，推行聯席建議的「全民養老金」計劃，確保全港長者可以「老有所養」。
- 2 「聯席」2004年成立後，在2005年根據香港社會服務聯會（社聯）與香港大學統計及精算學系教授合作研究及建議的全民退休保障計劃為基礎，提出「全民養老金」方案公開諮詢公眾意見（「聯席」亦分別於2009年及2011年就2005年的方案進行數據更新）。多年來，社會各界一直對全民退休保障態度正面，多番要求政府盡快落實。2007年香港大學民意調查顯示有超過7成市民支持全民退休保障；到2010年香港理工大學應用社會科學系社會政策研究中心與「聯席」合作進行的同類調查（調查結果收錄在2010年10月出版的《強積金及退休保障意見調查報告》內）更顯示有近8成市民支持設立全民退休保障制度，可見設立全民退休保障已成為政府不能迴避的議題。「聯席」希望透過公眾諮詢，了解社會各界的意見，促進社會對建立完善的全民退休保障制度達成共識，及爭取政府早日設立「全民養老金」。如各位有任何意見或查詢，請聯絡「聯席」秘書處：

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老有所養？

人口高齡化及貧窮情況嚴重

- 3 正如其他已發展國家或城市一樣，香港的生育率下降至更替水平之下（Sub-Replacement Fertility），而老年人口比率則不斷上升。根據政府統計處的推算，六十五歲或以上的長者佔全港人口的比例，將由2009年的13.3%，上升至2039年的29.2%¹，而老年扶養比率²（Aged Dependency Ratio）則由18.0%增加至48.9%（即由約5.6名15-64歲成年人口供養1名65歲或以上長者人口上升至約2名15-64歲成年人口便要供養1名65歲或以上長者人口）。
- 4 人口結構改變，一方面令長者愈來愈難依賴家庭養老，另一方面社會的財政負擔亦愈來愈重，近年每一個社會都積極研究回應策略，以設立可持續的養老金制度，確保每位長者皆老有所養。
- 5 長者為香港勞碌大半生，締造社會的繁榮進步。可是，他們早年的薪金微薄，收入僅足以維持日常生活，即使稍有積蓄，亦敵不過年年上升的通脹。根據經濟合作與發展組織（OECD）及香港社會服務聯會（社聯）所採納對貧窮線的定義是以住戶入息釐定，入息低於住戶入息中位數的一半便屬於貧窮家庭，按社聯的資料顯示，於2010年上半年長者貧窮率便達33.9%，即每三名長者便有一名生活在貧窮住戶當中³。
- 6 長者貧窮情況嚴重，令申領綜援的人數持續大幅增加。根據政府統計處資料，過去十多年間，老年綜援個案由1994年的69,927宗上升到2009年12月的153,448宗，升幅達一倍半之多。按社聯資料顯示，領取綜援的長者比率，亦由1996年的11.7%上升至2009年的超過18.4%。

¹ 《人口推算2010-2039》，香港政府統計處，2010年7月。

² 老年扶養比率 = (65歲或以上長者人口 / 15-64歲成年人口) × 100%

³ <2010年上半年最新貧窮數據分析> 新聞發佈，香港社會服務聯會，<http://www.hkcss.org.hk/cm/cc/press/detail.asp?id=447>

國際社會的共識

- 7 「老有所養」是中國社會傳統的價值信念，亦是世界各地文明社會對長者的承擔。聯合國第二屆國際老齡大會，訂定《國際老齡行動計劃2002》（International Plan of Action on Ageing 2002⁴），亦要求世界各國推動各種養老金方案，確保長者退休後有基本保障、能過有尊嚴的生活。
- 8 國際社會對如何為長者退休後提供足夠保障已有一定共識。世界銀行於2005年出版了《21世紀的長者收入支援》（Old Age Income Support in the 21st Century⁵），倡議為長者提供由五條支柱組成的退休保障制度：
 - ◆ 第0條 非供款性的基本保障
 - ◆ 第1條 強制性中央公積金
 - ◆ 第2條 強制性個人公積金
 - ◆ 第3條 個人自願性儲蓄／投資
 - ◆ 第4條 其他支援
- 9 經濟合作發展組織在三十多個國家進行的研究顯示，這五層退休保障方案令不同階層的長者在退休後的收入平均可達到退休前六成至八成除稅後收入的水平⁶：基層市民主要依靠基本退休金，中層則依靠職業性退休保障及基本退休金，而上層則主要靠個人投資。不少已發展國家早已設有基本退休金，然後發展職業性退休保障計劃，而香港則只設立強積金制度，到現在仍未有設立基本退休金制度，未能為基層市民及長者提供應有的保障。

⁴ < The Madrid International Plan of Action on Ageing >，聯合國，http://www.un.org/ageing/documents/building_natl_capacity/guiding.pdf，2002年。

⁵ <Old Age Income Support in the 21st Century >，世界銀行，http://siteresources.worldbank.org/INTPENSIONS/Resources/Old_Age_Income_Support_FM.pdf，2005年。

⁶ <Pensions at a Glance 2011: Retirement-income Systems in OECD and G20 Countries >，OECD，2011。

不完整的退休保障制度

10 強制性公積金計劃在2000年底正式實施，正如前述，其設計只能為中等入息人士帶來一些退休保障，未能惠及所有長者：

- ◆ 覆蓋率低：根據統計署數據顯示，20-64歲人口超過490萬⁷；當中勞動人口為370萬⁸，其中只有340萬人有參與退休保障（參考積金局《2009-10年報》）⁹。換言之，強積金對於整體成年人的涵蓋率只有約69%；而不受保障的包括70萬家庭照顧者，35萬殘疾人士，20萬失業人士等；
- ◆ 波動率高：雖然截至2011年3月底，自2000年強積金實施以來的平均年率化內部回報率為5.4%，但是在金融海嘯的衝擊下，2008/09年度全年卻錄得25.9%的虧損。若僱員在2009年3月退休並提取強積金，他得到的平均年率化內部回報率便會是-0.8%；
- ◆ 根據《強積金及退休保障意見調查報告》¹⁰，有40.3%的市民贊成取消現時的強積金制度，即時停止供款並拿回已供的款項。同一份報告也指出，有強積金戶口的市民中，63.1%表示現有強積金制度無助減少他們對將來退休生活的憂慮。

11 強積金計劃的結構性問題，無法令市民年老時維持基本生活，將逼使更多長者依賴綜援或高齡津貼維生，增加政府的財政負擔，政府將不得不長期繼續運用稅收填補強積金制度衍生的漏洞，對整體社會必定構成比現時更大的壓力。

⁷ 資料來源：統計署網頁(2011年12月)http://www.censtatd.gov.hk/hong_kong_statistics/statistical_tables/index_tc.jsp?charsetID=2&tableID=002&subjectID=1

⁸ 資料來源：統計署網頁(2011年12月)http://www.censtatd.gov.hk/hong_kong_statistics/statistical_tables/index_tc.jsp?charsetID=2&tableID=006&subjectID=2

⁹ 資料來源：積金局網頁 http://www.mpf.org.hk/tc_chi/quicklinks/quicklinks_pub/quicklinks_pub_ar_11.html

¹⁰ 《強積金及退休保障意見調查報告》，爭取全民退休保障聯席、香港理工大學應用社會科學系社會政策研究中心，2010年12月。

「全民養老金」方案

概要

- 12 文件提出的「全民養老金」方案，填補香港缺乏基本退休金制度的不足之處；並可在不需僱主僱員額外供款的情況下為未來三十年的所有長者提供基本經濟生活保障¹¹，由社會共同承擔改善老年貧窮的責任；大幅減低政府因長者綜援個案上升帶來的財政及加稅壓力，也能面對人口老化高峰期的社會衝擊。在推行「全民養老金」後，將可取代高齡津貼及現時65歲或以上長者綜援的標準金額部分，但必需保留其他支援。

目的

- 13 「全民退休保障計劃」下設立的「全民養老金」制度，確立市民應該享有的退休保障權利，保證所有市民年老時享有足夠的最低收入，其目的是：
- ◆ 維持所有長者的基本生活水平¹²；
 - ◆ 減低老年貧窮；
 - ◆ 處理人口老化所帶來的公共財政負擔。

原則

- 14 「聯席」對設立「全民退休保障計劃」的原則建立了以下共識：
- ◆ 全民保障 — 所有長者均可享有的經濟保障，避免審查制度成為貧窮人士的標籤；
 - ◆ 即時受惠 — 即時可以為長者提供經濟保障，不需要等待數十年的成熟期；
 - ◆ 足夠水平 — 有關經濟保障足夠維持長者的基本生活需要；

¹¹ 若根據政府統計處《人口推算2010-2039》的數字作推算，「全民養老金方案」能維持五十年的運作。

¹² 根據2005年社聯進行的基本生活需要研究的標準，當時基本生活開支為2,652元，計算通脹後，約等於2010年的3,000元。

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- ◆ 持續運作 — 有關制度可持續運作，應付未來人口老化高峰期的需要；
 - ◆ 全面配套 — 必須保留及提供醫療、護理服務和住宿保障等配套性的社會服務。

領取資格

15 申領「全民養老金」的資格為：

- ◆ 年滿六十五歲或以上；
- ◆ 香港居民¹³。

假設及預計

16 在制訂「全民養老金」方案時，曾參考本地及海外多項數據及常用方法，以訂立下列幾項假設：

- ◆ 根據政府統計處《香港人口推算2010 - 2039》所作的假設；
- ◆ 再假設勞動人口參與率按現時數據及情況不變，從而推算強積金供款；
- ◆ 假設薪酬每年平均實質增長率為2%¹⁴；
- ◆ 假設每年平均實質投資回報率為2%¹⁵。

¹³ 領取政府長俸的公務員並不納入全民養老金計劃之中。

¹⁴ 參考自1985年至2011年香港的入息中位數的工資增長平均每年約為2.2%。

¹⁵ 參考自1994年至2010年外匯基金的回報率，約為4.6%。

[全民養老金]方案簡介

17 方案以政府、僱主及僱員的三方供款為基礎，令整個計劃持續運作。以下為各方的供款比率：

17.1 政府

17.1.1 政府的供款分為三個部分：

- i) 「綜合社會保障援助計劃」中，用於六十五歲或以上受助人的標準金額的開支；
- ii) 「公共福利金計劃」中，用於高齡津貼的開支；及
- iii) 一筆過撥款500億的啟動基金。

17.1.2 2010年，政府用於以上(i)及(ii)兩個項目的開支大約為港幣118億元。往後，政府供款部份將會跟隨老年人口的增長率而相應調整。

17.2 僱主

17.2.1 僱主的供款分為兩個部份：

- i) 按每位僱員計算，僱主的供款比率為僱員每月薪金的2.5% (入息上限設為30,000元)。
- ii) 應評稅利潤高於1,000萬的企業，每年額外繳交約1.9%的利得稅，以2010年計算，款額大約為68億元。

17.2.2 為了不增加僱主的整體供款負擔，方案同時建議將僱主的強積金供款水平相應減少一半，即2.5%；原來供款的另一半（即2.5%）注資到本計劃。根據此安排，僱主為每位僱員提供的供款金額基本維持不變。

17.3 僱員

17.3.1 按個人入息計算，供款比率為每月薪金的2.5%（入息上限設為30,000元，下限則為6,500元，即每月入息少於6,500元的僱員不需供款）。

17.3.2 為了不增加市民的整體供款負擔，方案同時建議將僱員的強積金供款水平相應減少一半，即2.5%；原來供款的另一半（即2.5%）注資到本計劃。根據此安排，僱員的每月供款金額基本維持不變。

政府、僱主及僱員三方的供款總額、所需利得稅金額、每年「全民養老金」的開支及剩餘金額、以及累積儲備金額等數據，詳列於[附件一]。

18 此方案利用未來十三年的窗口期(即由2011至2023年)，三方供款的總數比要支付的養老金為多，連同開始投放的500億啟動基金，估計累積盈餘港幣1,594億元，作為計劃的「部分預留資金」。在2024年，老年人口對成年人口的比例較大，需要動用「部分預留資金」，以填補老年人口上升時的養老金開支，跨越人口老化高峰期。

其他考慮因素

概要

19 在討論「全民養老金」方案時，曾有不同團體提出不同的建議或問題，希望更完善「全民養老金」方案，由於有關建議對方案各項計算影響不大，為免令市民感到混淆，「聯席」決定暫不將有關建議納入方案內，但在此陳述，以邀請市民提供意見。這些建議或問題包括：

- ◆ 已離港於國內或外國定居的長者可否受惠於「全民養老金」？如果他們不在港定居，應否訂定額外的申領條件？
- ◆ 累積儲備應交由政府或由私人機構進行投資？
- ◆ 政府應否在財政儲備過多時再向「全民養老金」注入基金？
- ◆ 如果因政府拖延「全民養老金」的諮詢及推行而最終導致成本增加，政府應否承擔這額外的支出？
- ◆ 若政府維持「三條支柱」退休金制度不變，將來整體社會對人口老化下所付出的養老金成本會否增加？

〈完〉

[附件一] 「全民養老金」方案：每年供款、開支、剩餘、累積儲備金額

年份	15-64歲 人口 ('000)	65歲或以上 人口 ('000)	僱員及僱主 供款 (億元)	利得稅 (億元)	政府供 (億元)
2009	4,971.6	893.2	178.8	66.9	1
2010	5,000.7	926.7	198.9	68.2	1
2011	5,029.8	960.2	209.4	69.6	1
2012	5,058.9	993.8	214.8	71.0	1
2013	5,088.0	1,027.3	220.4	72.4	1
2014	5,117.1	1,060.8	226.1	73.9	1
2015	5,108.6	1,114.6	230.2	75.3	1
2016	5,100.1	1,168.4	234.4	76.8	1
2017	5,091.7	1,222.2	238.7	78.4	1
2018	5,083.2	1,276.0	243.1	79.9	1
2019	5,074.7	1,329.8	247.5	81.5	1
2020	5,056.3	1,401.2	251.6	83.2	1
2021	5,037.9	1,472.6	255.7	84.8	1
2022	5,019.5	1,543.9	259.8	86.5	1
2023	5,001.1	1,615.3	264.1	88.3	2
2024	4,982.7	1,686.7	268.3	90.0	2
2025	4,969.7	1,761.7	273.0	91.8	2
2026	4,956.7	1,836.6	277.7	93.7	2
2027	4,943.7	1,911.6	282.5	95.5	2
2028	4,930.7	1,986.5	287.4	97.5	2
2029	4,917.7	2,061.5	292.4	99.4	2
2030	4,930.2	2,111.4	299.0	101.4	2
2031	4,942.7	2,161.3	305.8	103.4	2
2032	4,955.1	2,211.3	312.7	105.5	2
2033	4,967.6	2,261.2	319.7	107.6	2
2034	4,980.1	2,311.1	326.9	109.8	2
2035	5,000.7	2,345.9	334.9	111.9	3
2036	5,021.3	2,380.8	343.0	114.2	3
2037	5,041.8	2,415.6	351.2	116.5	3
2038	5,062.4	2,450.5	359.7	118.8	3
2039	5,083.0	2,485.3	368.4	121.2	3

註(一)：按2010年購買力顯示

註(二)：以政府統計處《人口推算2010-2039》的數字經精算師推算，到2060年累計盈餘也保持正數。

註(三)：以月入6,500至30,000(上限)作供款計算。

年供款 (億元)	總供款 (億元)	全民養老金 支出 (億元)	年度 剩餘/(透支) (億元)	種子基金注資 (億元)	累計儲備/ (累計虧損) (億元)
115.4	361.1	299.9	61.1	500.0	561.1
117.7	384.9	312.0	72.9		645.3
121.0	400.0	324.1	76.0		734.1
125.8	411.6	336.1	75.5		824.3
131.0	423.8	348.2	75.6		916.4
137.0	437.0	360.3	76.7		1,011.4
143.9	449.5	379.6	69.8		1,101.5
150.5	461.7	399.0	62.7		1,186.2
157.2	474.3	418.4	55.9		1,265.9
164.0	487.0	437.7	49.3		1,340.5
171.8	500.8	457.1	43.7		1,411.0
180.0	514.7	482.8	31.9		1,471.2
188.8	529.3	508.5	20.8		1,521.4
198.2	544.6	534.2	10.4		1,562.2
208.0	560.4	559.9	0.5		1,593.9
217.8	576.2	585.6	(9.4)		1,616.4
227.7	592.6	612.6	(20.0)		1,628.7
237.4	608.8	639.6	(30.7)		1,630.5
246.5	624.6	666.6	(42.0)		1,621.2
256.9	641.8	693.5	(51.8)		1,601.8
266.2	658.0	720.5	(62.5)		1,571.4
274.5	674.9	738.5	(63.5)		1,539.3
281.4	690.6	756.5	(65.8)		1,504.2
287.2	705.4	774.4	(69.1)		1,465.2
292.9	720.3	792.4	(72.1)		1,422.4
298.5	735.2	810.4	(75.2)		1,375.6
303.7	750.5	822.9	(72.5)		1,330.7
308.5	765.6	835.5	(69.8)		1,287.5
312.5	780.2	848.0	(67.8)		1,245.5
317.0	795.6	860.5	(65.0)		1,205.4
321.0	810.6	873.1	(62.5)		1,167.0

[附件二] 長遠規劃改善民生 設立全民養老金

爭取全民退休保障聯席

溫家寶總理早前見記者時特別指出：「（香港）要進一步加強社會保障體系的建設，特別要照顧好弱勢群體。」方向是要有一個長遠的、科學的規劃。可見香港特區政府在中央政府的眼中，仍做不好長遠規劃、改善民生的治港目標。其實，只要香港設立全民養老金，便可同時滿足這兩個目標。香港現時最重要的深層次矛盾是貧富懸殊及貧窮問題，而解決長者貧窮更是解決香港貧窮問題的關鍵。

香港人口老化的速度愈來愈快，據統計署的推算，2010年香港65歲及以上的長者人數達92萬，佔香港人口13%，到2039年人口老化最高峰時，長者人口會達249萬，佔人口28%。香港社會服務聯會的研究估計，香港長者貧窮率高達三成，現時3名長者中便有1名處於貧窮。長者申領綜援的人數持續增加，反映長者貧窮的現象嚴重，已達到社會不能不正視的階段。

養老金每月3000元

全港80多個來自不同界別的民間團體自2004起年組成了「爭取全民退休保障聯席」（聯席），經過深入討論，提出「全民養老金」（養老金）的具體建議，聯席的方案是經過精算，希望政府能採納有關建議，盡快解決香港長者的生活保障問題。近日有些反對全民退休保障的評論似乎未深入了解全民養老金的建議，而傳媒報道亦未深入介紹方案，令市民未能明白細節。所以，聯席有需要在此詳細地介紹全民養老金的方案，並分析方案在財政上能足夠應付未來老人人口增加的細節。

首先，聯席要求設立全民養老金的主要目的是為所有65歲及以上的香港長者提供一個基本的生活保障，經過兩年討論，聯席同意養老金的水平設在每月3000元（以2010年購買力計算）。近日有些評論如股評人David Webb以每月4000或6000元計算全民退保，這大幅高於聯席的要求。可見這些評論認為全民退保經濟上不可行，是因為過高的每月金額的不合理假設所致。

聯席在2004年邀請了港大精算系的學者為全民退休保障的長遠運作進行精算，確保計劃長遠的持續性，其後在2008年亦再次進行精算。由於人口老化的趨勢上升，2008年方案較2004年方案需要政府增加500億元的種子基金，表明養老保障的問題已真的逼近臨界點，不能一再拖延。

利用勞動人口集體儲蓄

很多對全民養老金的負面評論是基於西方社會的「隨收隨支」(Pay As You Go)退休金制度出現入不敷支問題，需要延後退休年齡或增加供款率。但是聯席已經預先考慮香港會面臨人口急速老化的處境，建議的是一個部分預先儲款 (partially pre-funded) 計劃。此計劃不是以支訂收，或以收訂支，而是利用2021年之前香港仍有一定比例的勞動人口，進行集體儲蓄，以應付其後人口老化高峰期。

全民養老金的供款分為三大部分。
首先是政府供款，包括：

1. 擬用於65歲及以上受助人標準金額的開支，
2. 生果金的開支，及
3. 一筆過撥款的500億種子基金。

2006年，政府用於長者綜援及生果金的開支估計為81億元，往後，政府供款部分將會跟隨老年人口的增長率而相應調整。

其次是僱主供款，分兩個部分：

1. 僱主的供款比率為僱員每月薪金的2.5%，
2. 盈利高於1000萬的企業，每年額外繳交約1.9%的利得稅，以2006年計算，款額大約為62億元。

為了減輕僱主的供款負擔，建議將僱主的強積金供款水平相應減少一半，即2.5%；原來供款的另一半（即2.5%）注資到本計劃。僱主為每位僱員提供職業退休保障的供款維持不變，不會有額外成本。而可評稅盈利高於1000萬的大企業，取之於民應用之於民，為香港的長遠養老承擔較中小企業更大的社會責任。

供款的第三部分來自僱員，供款比率為每月薪金的2.5%。為了減輕僱員的供款負擔，方案以強積金制度為根基，建議將僱員的強積金供款水平相應減少一半，即2.5%；原來供款的另一半（即2.5%）注資到本計劃。根據此安排，僱員的每月供款金額亦將維持不變。

根據上述安排，2006年共有85萬65歲或以上的長者，養老金總支出為287億，而總經常供款為334億；因此2006年剩餘48億，若加上政府的500億種子基金，基金首年累積的儲備便有548億。我們預算養老金的金額與通脹掛鈎，所以實質購買力將不變，以下的推算亦是以2006年實質價格推算。到2026年，當年有178萬長者，養老金總支出為622億，而總經常供款為594億，當年赤字28億，但基金累積儲備仍有2074億。到2036年，由於動用儲備，累積儲備下降至1889億。到2046年，當年有277萬長者，養老金總支出為831億，而總經常供款為853億，當年再次出現剩餘22億，基金累積儲備有2143億。

方案可持續運作50年

簡單來說，這方案利用15年的窗口期，由2006年至2021年，養老金的供款較支出多，連同500億種子基金作為計劃的儲備。在2021至2046年期間，老年人口比例迅速增加，基金的儲備將會減少。到2046年由於老年人口比例已趨向穩定，養老金重新開始出現盈餘，基金儲備再次增加。以上推算意味這方案可以持續運作50年，而且計劃的累積儲備，於運作至第5年後，會一直維持於超過兩年「全民養老金」的每年開支水平，即使經濟情勢出現短期下滑現象而影響供款率。

聯席這方案可能不是最好的方案，亦不是民間提出的唯一方案，我們只希望拋磚引玉，令政府關注及加強公眾參與。我們現時欠缺的只是政府作長遠規劃、改善民生的決心，希望這一屆特區政府能在任內提出不同方案，為解決長者貧窮問題作出長遠規劃，而不再是著眼於如何派錢這令人失望的政治化妝之中。

Alliance for Universal Pension

Consultation Paper on

“Universal Pension Scheme”

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Preface

Consolidating Consensus through Public Consultation

- 1 Established in 2004, the Alliance for Universal Pension (the Alliance) currently comprises more than 80 non-governmental organizations from various categories, including the grassroots groups, trade unions, organizations that advocate rights for women, seniors, the disabled, young people, as well as religious and social welfare groups. The objective for establishing the Alliance is to strive for the Government of Hong Kong (the Government) to formulate policy for universal pension as soon as possible and implement the “Universal Pension” Scheme suggested by the Alliance in order to ensure that the elderly in Hong Kong can live with financial security and enjoy a dignified and decent life.
- 2 In 2005, the Alliance started to put forward the “Universal Pension” Scheme for public consultation, which used materials from the study and recommendations by the Hong Kong Council of Social Service and the Department of Statistics and Actuarial Science of the University of Hong Kong as the basis. The Alliance subsequently updated the figures from the 2005 proposal in 2009 and 2011. This proposal has gained enormous social support in society in the past years and the public have numerously demanded the Government to put it in action as soon as possible. A public opinion poll conducted by the Hong Kong University in 2007 has shown that more than 70% of citizens support universal pension. Another similar study jointly conducted by the Centre for Social Policy Studies in the Department of Applied Social Sciences at The Hong Kong Polytechnic University and the Alliance in 2010 has also shown that near 80% of citizens support a universal pension system. It is obvious that the Government must address the social agenda about setting up a universal pension scheme. The Alliance hopes to understand the views of the community through public consultation, facilitate consensus in regard to establishing a comprehensive universal retirement pension system and urge the Government for the early establishment of “Universal Pension” . If you have any comments or queries, please contact the Secretariat of the Alliance:

Email : forall@pensionforall.org.hk

Telephone : 3499 1975

Can the elderly people in Hong Kong have a dignified and decent living with financial security?

Population becoming increasingly aged and poverty-stricken

- 3 Like many developed countries and cities, Hong Kong is sustaining from sub-replacement fertility, while the ratio of elderly population is constantly increasing. According to estimates by the Government's Census and Statistics Department, the ratio of elderly people at or above the age of 65 will rise from 13.3% in 2009 to 29.2%¹ in 2039, whereas the aged dependency ratio² will increase from 18.0% to 48.9%. It means that the number of adults aged between 15 to 64 supporting every elderly aged 65 or above will change from 5.6 to roughly 2.
- 4 As the demography changes, it becomes more difficult for the elderly to rely on family support; on the other hand, the financial burden of public expenditure on the elderly in the society becomes increasingly heavy. In recent years, in order to ensure that senior citizens can live with financial security, every society is actively exploring the coping strategies of setting up a universal and sustainable pension scheme.
- 5 The elderly people of Hong Kong have toiled much of their lifetime to pave way for the society's prosperity. However, with a modest pay from the early days, their income is just enough to support their daily living. Even if there were any savings, it would not be adequate to combat inflations in the subsequent years. According to the defined poverty line adopted by the Organization for Economic Co-operation and Development (OECD) and the Hong Kong Council of Social Service (HKCSS), any family that falls below 50% of the current median income is considered as living in poverty. The HKCSS figures showed that from the first half of 2010, the percentage of elderly people in Hong Kong living under poverty reaches 33.9%, meaning that every one in three elderly people are currently suffering from poverty³.

¹ "Hong Kong Population Projection 2010-2039", Hong Kong Census and Statistics Department, July 2010.

² Aged Dependency Ratio = (number of people aged 65 or above / number of people aged 15-64) x 100%.

³ Press release by Hong Kong Council of Social Service (Chinese only), <http://www.hkcss.org.hk/cm/cc/press/detail.asp?id=447>

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- 6 Due to the rapid growing number of poor elderly, the number of applicants for Comprehensive Social Security Assistance (CSSA) is continuously rising substantially. According to figures from Census and Statistics Department, the number of elderly CSSA recipients has more than doubled in the last decade, from 69,927 cases in year 1994 to 153,448 cases in December of 2009. Also, the figure from the Hong Kong Council of Social Service (HKCSS) has indicated that the ratio of elderly population receiving CSSA has increased from 11.7% in 1996 to over 18.4% in 2009.

Consensus from Societies around the World

- 7 It is a traditional value in Chinese society to properly take care of the elderly people, to ensure them living with financial security and enjoy a dignified and decent life. It is an important objective for all civilized societies around the world to have commitment on the elderly. During the United Nations' Second World Assembly on Ageing, the "International Plan of Action on Ageing 2002"⁴ stated to ask that all nations should come up with their own pension systems in order to ensure that elderly people receive basic pension after their retirement in a manner that is respectable to their dignity.
- 8 The international community has reached a certain degree of consensus over the provision of adequate protection for elderly people after retirement. In 2005, the World Bank published "Old Age Income Support in the 21st Century"⁵, advocating a five-pillar pension system provided for the elderly people:

- Pillar Zero Non-Contributory with a minimal level of protection
- Pillar One Mandatory Central Provident Pension
- Pillar Two Mandatory Private Pension
- Pillar Three Voluntary Savings/Investments
- Pillar Four Other Informal Supports

⁴ < The Madrid International Plan of Action on Ageing > , United Nations , http://www.un.org/ageing/documents/building_natl_capacity/guiding.pdf , 2002.

⁵ <Old Age Income Support in the 21st Century > , World Bank , http://siteresources.worldbank.org/INTPENSIONS/Resources/Old_Age_Income_Support_FM.pdf , 2005.

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- 9 According to a study conducted in more than 30 nations by the Organization of Economic Co-operation and Development, the five-pillar pension system could ensure that elderly people from different social classes could enjoy a retirement protection that is equivalent of 60% to 80% of their income before they retire after tax⁶ : for which the grassroots is mainly supported by basic retirement pension, the middle class by occupational and basic retirement pension, where as the upper class mainly supported by personal investments. Many developed nations choose to first establish a basic pension system, followed by developing an occupational retirement scheme. In contrast, currently with just a Mandatory Provident Fund System, without the provision of a basic pension system, Hong Kong is unable to provide grassroots citizens and elderly people the needed coverage.

An Incomplete Pension System

- 10 The Mandatory Provident Fund Scheme (MPF Scheme) was implemented in the year 2000, as previously mentioned, the design of the scheme is only able to provide some retirement protection to the employees that fall in the middle income range, without benefiting all seniors:

- Low coverage: according to figures from the year 2009 (refer to “2009-10 Annual Report” by MPFA), out of the 4.90 million⁷ of the population aged between 20 and 64, only 3.4 million⁸ of the 3.7 million⁹ people from the labor force have participated the MPF scheme. In other words, the general coverage rate of MPF for adults is only roughly 69%. The uncovered population includes the 700,000 family caretakers, 350,000 disabled, 200,000 people who are unemployed, and others;

⁶ <Pensions at a Glance 2011: Retirement-income Systems in OECD and G20 Countries>, OECD, 2011.

⁷ Source: Census and Statistics Department’s internet webpage (Dec. 2011)

http://www.censtatd.gov.hk/hong_kong_statistics/statistical_tables/index.jsp?subjectID=1&tableID=002

⁸ Source: MPFA internet webpage http://www.mpfa.org.hk/english/quicklinks/quicklinks_pub/quicklinks_pub_ar_11.html

⁹ Source: Census and Statistics Department’s internet webpage (Dec. 2011)

http://www.censtatd.gov.hk/hong_kong_statistics/statistical_tables/index.jsp?subjectID=2&tableID=006

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- High Volatility: As of March 2011, even though the average annual return rate since the year 2000 is 5.4%, yet under the impact of the financial crisis, the annual return rate of 2008/09 has recorded a deficit of 25.9%. If for instance an employee retires and receives the pension fund in March 2009, his average annual return rate will be -0.8%;
 - According to “Report on the Study for Views on MPF and Pension”¹⁰, 40.3% of the public agree to abolish the current MPF system, immediately terminate and withdraw their own contributions. Meanwhile, results from the same report has shown that for those having an MPF account, 63.1% expresses the view that the current MPF system is unable to help them alleviate their worry for their living after retirement.

11 It is apparent that the MPF Scheme has fundamental problems which could not support the basic living of citizens in their years of retirement. As a result of this, more and more elderly people will be forced to depend on CSSA and Old Age Allowance (OAA) to live by. As the Government is met with increasing financial burden, it will inevitably need to continuously use taxation to fill the loopholes in the MPF system, and thus the general society is bound to face heavier pressure than the present situation.

¹⁰ “Report on the Study for Views on MPF and Pension” (Chinese only), Alliance for Universal Pension, Centre for Social Policy Studies in the Department of Applied Social Sciences at Hong Kong Polytechnic University · December 2010.

“Universal Pension” Scheme

Summary

- 12 The paper presents a “Universal Pension” Scheme that aims to fill in the inadequacies for Hong Kong’s MPF system; targeting the social impact that arise from the peak rise in the number of elderly population, the Scheme is able to provide elderly people basic financial security for the next 30 years¹¹ without increasing the overall burden of employers and employees in contributions; the society together will help to share the responsibilities of improving poverty among old people; significantly alleviate the Government’s pressure on public expenditure and taxation due to increasing number of old-age CSSA cases. After the implementation of “Universal Pension”, it will replace the Government’s Old Age Allowance as well as the standard rate of CSSA payment dedicated to elderly people who have reached 65 years old, however, other supports must be retained.

Objectives

- 13 A system of “Universal Pension” is set up under the “Universal Pension Plan” to establish the citizens’ right to be protected after retirement, so that all citizens could enjoy a minimum pension when they become old, with the objectives:
- to maintain a basic living standard for all elderly people¹² ;
 - to reduce poverty in old age;
 - to handle the public financial burden arising from an aging population.

Principles

- 14 Regarding the set up of “Universal Pension Plan”, the Alliance has reached consensus over the following principles:
- **Universal Protection** : every elderly person could enjoy financial security, thus means-testing is avoided in order to eliminate any labeling effects on recipients ;

¹¹ If using the data from “Hong Kong Population Projection 2010-2039” by Hong Kong Census and Statistics Department as projection, the “Universal Pension Scheme” is able to self-sustain for at least 50 years.

¹² According to study on the standards for basic living by the Hong Kong Council of Social Service in 2005, the amount for basic living was \$2,652, after inflation, the amount would equal to about \$3,000 in the year 2010.

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- Immediate Benefit : financial security is immediately provided without having to wait for decades for the maturity period;
 - Adequate Amount : the amount is sufficient to maintain elderly people’ s basic living standard;
 - Sustainable Operation : the specified system is able to operate with sustainability, so to cope with the needs induced by growing elderly population in the future;
 - Comprehensive Support : Supplemental social services such as coverage on medical, nursing services, housing protection and others must be preserved.

Eligibility

15 The eligibility of “Universal Pension” is as follows:

- Age 65 or above;
- Hong Kong Residents¹³.

Assumptions and Estimations

16 Using numerous statistics and common methods gathered locally and internationally, the following assumptions are made when formulating the “Universal Pension” Scheme:

- Assumptions are made based on statistics from “Hong Kong Population Projections 2010-2039” by the Census and Statistics Department;
- The amount of MPF contribution is based on the assumptions that the labor force participation rate is consistent with current data and remains unchanged;
- Assuming the annual growth rate of salary is 2% in real terms¹⁴;
- Assuming the annual rate of return for MPF investments is 2% in real terms¹⁵;

¹³ Civil servants benefiting from government pension is not included in the Universal Pension Plan.

¹⁴ With reference to figures from 1985 to 2011, the Hong Kong median income of wage growth averaged 2.2% per annum.

¹⁵ With reference to figures from 1994 to 2010, the returns of the Exchange Fund is about 4.6%.

Components of [Universal Pension Scheme]

17 The Scheme is based on a tripartite contribution from the Government, employers and employees as the foundation, so that the entire plan would operate sustainably. The contribution rate for each party is as follows:

17.1 Government

17.1.1 Contributions from the Government include three parts :

- i) the CSSA expenditure of standard rate payment for recipients aged 65 years old or above;
- ii) the expenditure of Old Age Allowance (OAA); and
- iii) a lump sum of \$50 billion dollars as seed money.

17.1.2 In 2010, the Government expenditure for CSSA payment on elderly people combined with Old Age Allowance (i and ii above) amounts to \$11.8 billion dollars. In the future, a partial amount of Government contribution will be adjusted in accordance with the growth rate of the old-age population.

17.2 Employers

17.2.1 Contributions from the employers come in two parts:

- i) Employer' s contribution rate is 2.5% of employees' monthly income for each employee (with maximum income set as \$30,000).
- ii) For enterprises with annual taxable profit over \$10 million dollars, an additional 1.9% of profits tax will be charged, according to figures from 2010, the amount is about \$6.8 billion dollars.

17.2.2 In order to reduce burden on the employer's contribution, the suggestion is to reduce the amount of employer' s MPF contribution by half, equaling to 2.5%; the original contribution to the other half (i.e. 2.5%) is injected in the plan. Based on this arrangement, the employer' s pension contribution for each employee remains virtually unchanged.

17.3 Employees

17.3.1 Employees will contribute at a rate of 2.5% of their monthly wages (with maximum income and minimum income set at \$30,000 and \$6,500 respectively, meaning that employees whose monthly salary below \$6,500 would not have to contribute).

17.3.2 In order to reduce the burden on the employee' s contribution, the suggestion is to reduce the amount of employee' s MPF contribution by half, equaling to 2.5%; the original contribution to the other half (i.e. 2.5%) is injected in the plan. Based on this arrangement, the employee' s pension contribution remains virtually unchanged.

Annex 1 provides the data for total amount from the tripartite contribution, the needed amount from profits tax, annual expenditure and surplus from "Universal Pension" , along with the amount of accumulated reserves.

18 The proposal takes advantage of a window period of 13 years, from 2011 to 2023, in which the amount of Pension contribution outruns its expenditure and, coupled with the \$50 billion seed money, the estimated amount of accumulated reserves is then about \$159.4 billion dollars and becomes the plan' s "partially reserved fund" . In 2024, when the ratio of elderly people in our general population reaches a certain threshold, the "partially reserved fund" will be used.

Other Considerations

Outline

- 19 When discussing over the “Universal Pension Scheme” , various groups have come up with different suggestions and questions with the aim to improve the “Universal Pension Scheme” . Since the related suggestions cast only minor impacts to the various calculations in the proposal, in an attempt to avoid getting the public confused, the Alliance has decided not to include the related comments in the Scheme for the time being, but will list them out to gather for more comments. The suggestions and questions include the following:
- For elderly people who have departed Hong Kong or have resettled in mainland China or foreign countries, could they enjoy the benefit of “Universal Pension” ? Should there be additional conditions for those applicants who reside out of Hong Kong?
 - Should the Government or private institutions take responsibility to invest with the reserved fund?
 - Should the Government inject additional funds into the pool for “Universal Pension” when it has excessive reserves?
 - If additional costs are ultimately needed due to the Government’ s decision to postpone the consultation and implementation of “Universal Pension” , should the Government be accountable to the additional expenditure?

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- If the Government decides to maintain the current “three-pillar pension system” without making changes, what will be the costs that the entire society will have to bear on supporting elderly people due to increasing ageing population?

〈 The End 〉

[Annex 1] Universal Pension Scheme by the Alliance:
Annual Amounts for Contribution, Expenditure, Surplus and
Accumulated Reserve

Year	Population for Persons between 15-64 Years Old ('000)	Population for Person Aged 65 or Above ('000)	Total Contribution from Employers and Employees (\$ billion)	Profits Tax (\$ billion)	C C
2009	4,971.6	893.2	17.88	6.69	
2010	5,000.7	926.7	19.89	6.82	
2011	5,029.8	960.2	20.94	6.96	
2012	5,058.9	993.8	21.48	7.10	
2013	5,088.0	1,027.3	22.04	7.24	
2014	5,117.1	1,060.8	22.61	7.39	
2015	5,108.6	1,114.6	23.02	7.53	
2016	5,100.1	1,168.4	23.44	7.68	
2017	5,091.7	1,222.2	23.87	7.84	
2018	5,083.2	1,276.0	24.31	7.99	
2019	5,074.7	1,329.8	24.75	8.15	
2020	5,056.3	1,401.2	25.16	8.32	
2021	5,037.9	1,472.6	25.57	8.48	
2022	5,019.5	1,543.9	25.98	8.65	
2023	5,001.1	1,615.3	26.41	8.83	
2024	4,982.7	1,686.7	26.83	9.00	
2025	4,969.7	1,761.7	27.30	9.18	
2026	4,956.7	1,836.6	27.77	9.37	
2027	4,943.7	1,911.6	28.25	9.55	
2028	4,930.7	1,986.5	28.74	9.75	
2029	4,917.7	2,061.5	29.24	9.94	
2030	4,930.2	2,111.4	29.90	10.14	
2031	4,942.7	2,161.3	30.58	10.34	
2032	4,955.1	2,211.3	31.27	10.55	
2033	4,967.6	2,261.2	31.97	10.76	
2034	4,980.1	2,311.1	32.69	10.98	
2035	5,000.7	2,345.9	33.49	11.19	
2036	5,021.3	2,380.8	34.30	11.42	
2037	5,041.8	2,415.6	35.12	11.65	
2038	5,062.4	2,450.5	35.97	11.88	
2039	5,083.0	2,485.3	36.84	12.12	

Note (1): Based on the purchasing power in the year 2010.

Note (2): Figures are projected by actuary using data from "Hong Kong Population Projection 2010-2039" by the Hong Kong Census and Statistics Department, with surplus reserves remaining positive by 2060.

Note (3): Contribution amounts are based on maximum income and minimum income at \$30,000 and \$6,500 respectively.

Government Contribution (\$ billion)	Total Amount of Contribution (\$ billion)	Expense for Universal Pension (\$ billion)	Annual Surplus/ (Deficit) (\$ billion)	Injection of Seed Money (\$ billion)	Accumulated Reserve/ (Accumulated Loss) (\$ billion)
11.54	36.11	29.99	6.11	50.00	56.11
11.77	38.49	31.20	7.29		64.53
12.10	40.00	32.41	7.60		73.41
12.58	41.16	33.61	7.55		82.43
13.10	42.38	34.82	7.56		91.64
13.70	43.70	36.03	7.67		101.14
14.39	44.95	37.96	6.98		110.15
15.05	46.17	39.90	6.27		118.62
15.72	47.43	41.84	5.59		126.59
16.40	48.70	43.77	4.93		134.05
17.18	50.08	45.71	4.37		141.10
18.00	51.47	48.28	3.19		147.12
18.88	52.93	50.85	2.08		152.14
19.82	54.46	53.42	1.04		156.22
20.80	56.04	55.99	0.05		159.39
21.78	57.62	58.56	(0.94)		161.64
22.77	59.26	61.26	(2.00)		162.87
23.74	60.88	63.96	(3.07)		163.05
24.65	62.46	66.66	(4.20)		162.12
25.69	64.18	69.35	(5.18)		160.18
26.62	65.80	72.05	(6.25)		157.14
27.45	67.49	73.85	(6.35)		153.93
28.14	69.06	75.65	(6.58)		150.42
28.72	70.54	77.44	(6.91)		146.52
29.29	72.03	79.24	(7.21)		142.24
29.85	73.52	81.04	(7.52)		137.56
30.37	75.05	82.29	(7.25)		133.07
30.85	76.56	83.55	(6.98)		128.75
31.25	78.02	84.80	(6.78)		124.55
31.70	79.56	86.05	(6.50)		120.54
32.10	81.06	87.31	(6.25)		116.70

[Annex 2] Implementing Universal Pension as a long-term plan to improve people's livelihood

Alliance for Universal Pension

Early on, when spoken to reporters, Premier Wen Jiabao made a particular comment: “(Hong Kong) must take further steps in strengthening the system to social security, and pay extra care to vulnerable groups”, it is clear that there should be a long-term and scientific plan in social security. In the eyes of the Beijing Government, the Special Administrative Region Government has obviously not done a good enough job for long term planning and improving people's livelihood in Hong Kong. As a matter of fact, in order to achieve these two objectives, the simple solution for Hong Kong is to establish universal pension. The current deep-seated contradictions in Hong Kong is the issues of the widening of wealth disparity and poverty, and targeting poverty among elderly people is the key to solving the poverty issue of Hong Kong.

Hong Kong's population is aging rapidly, according to Census and Statistics Department, the number of elderly people at or beyond the age of 65 in the year 2010 reaches 920,000, accounting for 13% of the population of Hong Kong, by the year 2039, the number of elderly people will peak to 2.49 million, accounting for 28% of the population. According to the estimates by the Hong Kong Council of Social Service, Hong Kong's elderly poverty rate is as high as 30%, meaning that currently one in every three elderly are living in poverty. With the number of elderly CSSA (Comprehensive Social Security Assistance) applicants steadily increasing, poverty among the elderly is getting worse, and has reached the stage where the society could no longer ignore.

Receiving 3,000 Dollars Pension Each Month

The “Alliance for Universal Pension” (the Alliance) was formed in 2004 by more than 80 non-governmental organizations from different sectors. After in-depth discussion, the specific recommendations to the “Universal Pension” (Pension) is made with the actuarial calculation in the hope of being accepted by the government, so that the issue of living security for the elderly in Hong Kong is resolved as quickly as possible. Recent comments against universal pension does not seem to understand the suggestions to universal pension, while media reports were also unable to introduce the proposal in depth, thus the public has failed to understand the detail. For that, it has the need to elaborately introduce the proposal of Universal Pension, with the analysis to claim that the financial aspects of the proposal is capable of dealing with the future increase to elderly population.

First of all, the Alliance demand for the provision of basic living security by implementing Universal Pension for all seniors who have reached the age of 65, after two years of discussion, the Alliance agreed on setting the monthly pension at a level of 3,000 Hong Kong Dollars (based on the purchasing power in the year 2010). Recent comments such as those made by local stock analyst David Webb have used the monthly figure of 4,000 HKD or 6,000 HKD to calculate universal pension, which is far beyond the amount that the Alliance is requesting. These comments then conclude that universal pension is therefore financially infeasible, yet such conclusion is made only because the monthly amount is too high due to the unreasonable assumption.

In 2004, the Alliance invited actuary mathematician from the University of Hong Kong to calculate the long-term operation of the Universal Pension Scheme (the Scheme), so that the proposal is sufficiently sustainable, in which the Scheme went through another set of actuarial calculation in 2008. Since the old-age population is steadily rising, the Scheme in 2008 is different from one in 2004, which requires the government to add a seed money of 50 billion dollars, the issue of pension is therefore approaching the critical point and can not be further delayed.

Taking an Advantage of the Labor Force to Save Collectively

A lot of negative comments against Universal Pension are based on the “making the ends meet” problem that happen in the “Pay As You Go” pension system in Western societies, which resulted in delaying the age of retirement or increasing the rate of contribution. However, the Alliance has already considered the scenario of a rapidly aging population in Hong Kong, and is proposing to involve a “partially pre-funded” plan. This plan is not “payment-defined” (以支訂收) or “income-defined” (以收訂支), but makes use of the unique ratio of labor force before the year 2021 to collectively save in order to cope with the peak of subsequent aging of the population.

The Contribution to Universal Pension is Divided into Three Parts

The first part involves contributions from the government, which include:

1. the CSSA expenditure of standard rate payment for recipients who are over 65 years old,
2. the expenditure of Old Age Allowance, and
3. a lump sum of 50 billion dollars in seed money.

In 2006, the government expenditure for CSSA payments on elderly people combined with Old Age Allowance amounts to 8.1 billion dollars in estimation, in the future, a partial amount of government contribution will be adjusted in accordance with the growth rate of the old-age population.

The second part involves contributions from employers, which include two sections:

1. Employer' s contribution rate is 2.5% of employees' monthly wages,
2. For enterprises with annual profit over 10 million dollars, an additional 1.9% of profits tax will be charged, according to figures from 2006, the amount is about 6.2 billion dollars.

In order to reduce the burden on the employer' s contribution, the suggestion is to reduce the amount of the employer' s MPF (Mandatory Provident Fund) contribution by half, equaling to 2.5%; the original contribution to the other half (i.e. 2.5%) is injected in the plan. Therefore, the employer' s pension contribution for each employee remains the same, without having extra costs. Additionally, comparing to small and medium enterprises, when it comes to contributing to the support for elderly people, the society has greater expectations for enterprises with annual taxable income profits of more than 10 million dollars.

The third part of contribution comes from employees, whose contribution rate is 2.5% of their monthly wages.

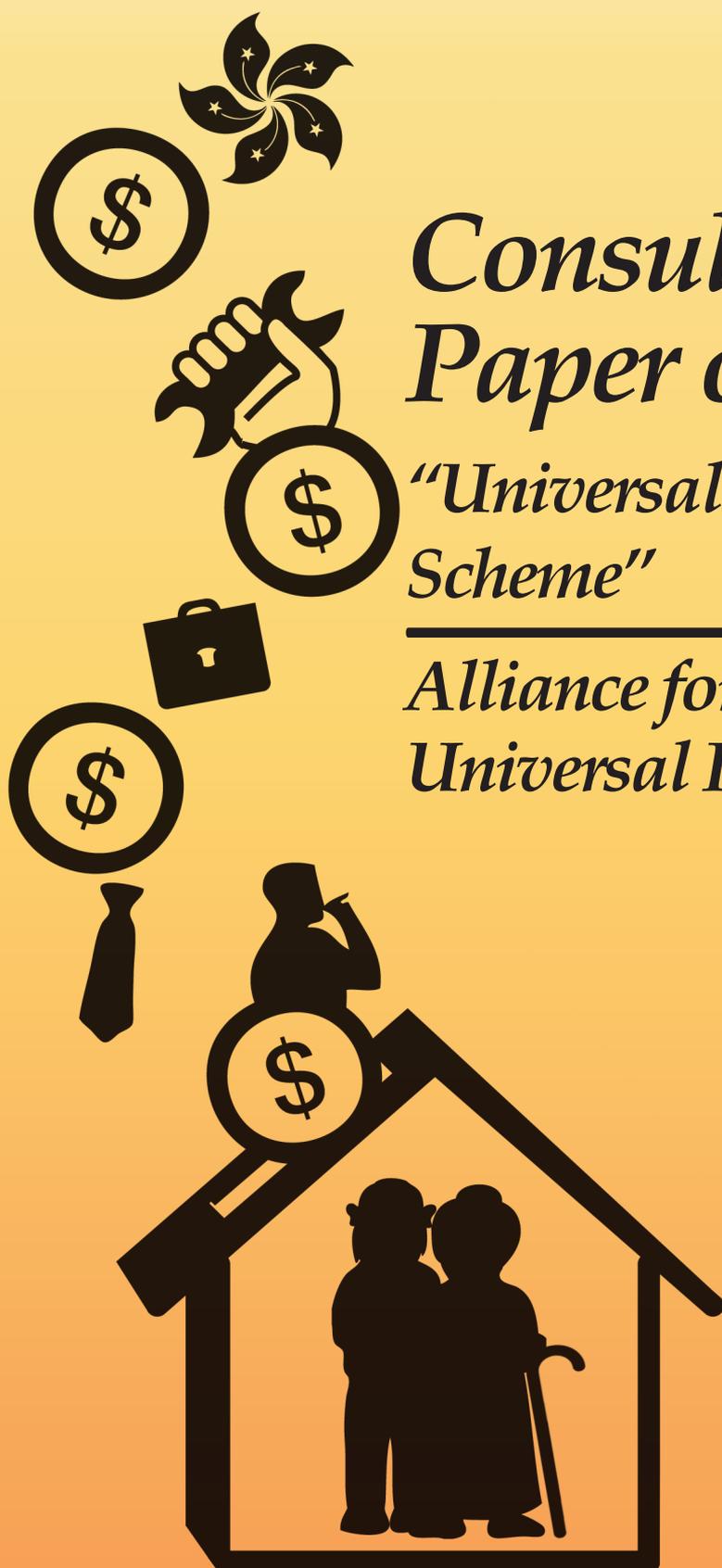
In order to reduce the burden on the employee' s contribution, the proposal is based on the current MPF system, with the suggestion to reduce the amount of the employee' s MPF contribution by half, equaling to 2.5%; the original contribution to the other half (i.e. 2.5%) is injected in the plan. Based on this arrangement, the employee' s pension contribution remains the same.

Based on the above arrangement, with the number of elderly people at the age above 65 to be 850,000 in the year 2006, the total pension expenditure is 28.7 billion, while the total recurrent contribution is 33.4 billion; therefore there will be a remaining of 4.8 billion in the year 2006, if coupled with the 50 billion seed money from the government, then there will be 54.8 billion accumulated reserves. We estimate the pension payment to be regularly adjusted in accordance with the inflation rate, thus the purchasing power remains constant, the following projections are based on the prices from the year of 2006 in real terms. In 2026, there will be 1.78 million elderly people, the total pension expenditure will be 62.2 billion, while the total recurrent contribution will be 59.4 billion, with a yearly deficit of 2.8 billion, there will still be 207.4 billion accumulated reserves. By 2036, reserve will be used and the accumulated reserves will decrease to 188.9 billion. In the year 2046, there will be 2.77 million elderly people, the total pension expenditure will be 83.1 billion, while the total recurrent contribution will be 85.3 billion, once again we will see a remaining of 2.2 billion, with a total of 214.3 billion accumulated in reserve.

A Sustainable Proposal that would Last for 50 Years

Simply put, the proposal takes advantage of a window period of 15 years, from 2006 to 2021, in which the amount of pension contribution outruns its expenditure, becoming the reserving fund when coupled with the 50 billion seed money. In the period between 2021 and 2046, a rapid increase in the proportion of elderly population will decrease the amount of reserve. However, by the year 2046, the proportion of elderly population will become stable, the yearly pension budget will again record remains, and the reserve will once more increase. The projection above means that the proposal could continuously operate for 50 years. As for the accumulated reserves of the plan, after 5 years of operation, it will maintain at a level that is twice the amount of annual expenditure for the Universal Pension, even if the contribution rate is affected due to a temporary drop in the economy.

As it turns out that the proposal produced by the Alliance may not be the best, and is by no means the only proposal, all we hope for is to inspire the government and the public to greater participation. What we lack now is the government' s determination to long-term planning and improving the people' s livelihood. Instead of spending its time on the disappointing political make-up of dispensing money, we hope the government within this term could provide various proposals that would solve the issue of poverty among elderly people.



Consultation Paper on “Universal Pension Scheme”

*Alliance for
Universal Pension*



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