

(Translation)

**Motion on
“Lowering the Mandatory Provident Fund
management fees”
moved by Hon Miriam LAU Kin-ye
at the Legislative Council meeting
of Wednesday, 27 June 2007**

**Motion as amended by Hon SIN Chung-kai and Hon Andrew LEUNG
Kwan-yuen**

“That, in view of the current relatively high management fees charged under the Mandatory Provident Fund (MPF) schemes and their less than satisfactory investment returns, this Council urges the Government to immediately adopt relevant measures and create favourable conditions, including changing the practice of employers selecting the MPF trustees to allowing employees to choose their own MPF trustees for their own contributions, and adding new provisions to the Code on Disclosure for MPF Investment Funds to require MPF trustees to further disclose the levels of fees and charges for various constituent funds, so as to promote competition in the MPF management market and facilitate comparison by employees participating in the MPF schemes, thereby effectively lowering the management fees of the MPF schemes, and appropriately increase the variety and flexibility of their investments as well as strengthen the monitoring of their investment performance, with a view to preventing the erosion of the hard-earned money contributed to the MPF by both employees and employers, and enhancing the effectiveness of the MPF in providing protection to employees’ retirement life.”